

**UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF RHODE ISLAND**

STATE OF COLORADO, et al.,

Plaintiffs,

v.

U.S. DEPARTMENT OF HEALTH AND HUMAN
SERVICES, et al.,

Defendants.

DECLARATION OF MARLIES PEREZ

I, Marlies Perez, declare as follows:

1. I am a resident of the State of California. I am over the age of 18 and have personal knowledge of all the facts stated herein, except to those matters stated upon information and belief; as to those matters, I believe them to be true. If called as a witness, I could and would testify competently to the matters set forth below.

2. I am currently employed by the California Department of Health Care Services (DHCS) as the Division Chief of the Community Services Division (CSD) of Behavioral Health.

3. I have held a Division Chief position within DHCS since 2013. As the Division Chief of CSD, I am the Single State Agency California representative for the U.S. Department of Health and Human Services (HHS), Substance Use and Mental Health Services Administration (SAMHSA) as well as the State Mental Health Authority that oversees Community Mental Health Services Block Grant (MHBG) Contacts. Furthermore, my responsibilities include leading, planning, organizing, and overseeing CSD staff of approximately 175 individuals and overseeing over ten (10) billion dollars of behavioral health services state and federal grant funding, including the Substance Use Prevention, Treatment and Recovery Services Block Grant (SUBG), Community Mental Health Services Block Grant (MHBG), Project for Assistance in Transition from Homelessness (PATH), American Rescue Plan Act (ARPA), Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA). Additionally, I have 12 years of executive leadership within the programmatic functions of DHCS, including but not limited to extensive stakeholder engagement with State agencies.

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DHCS Background Information

4. DHCS is the backbone of California's healthcare safety net. DHCS is the single state agency responsible for administering the state's Medicaid program, Medi-Cal, which provides comprehensive health care services at no or low cost for low-income individuals. Medi-Cal is authorized and funded through the Medicaid federal-state partnership.

5. Medi-Cal programs cover physical health, mental health, substance use disorder, pharmacy, dental, and long-term services and supports. As of January 2025, Medi-Cal serves approximately 14.5 million Californians, making the Department the largest health care purchaser in California.

6. Besides Medi-Cal, DHCS also administers and oversees the Children's Health Insurance Program (CHIP), and several health-related federal grants. The Department also administers programs for special populations and several other programs, as well as county-operated community mental health and substance use disorder programs. Among those almost 15 million Californians covered by DHCS programs are 5 million children—more than half of all California's kids, 2.3 million seniors and people with disabilities, and 3.4 million working Californians—nearly one in five of all California workers.

7. In addition to Medicaid, DHCS receives significant funding, directly and indirectly, pursuant to from other federal programs, including the Substance Abuse and Mental Health Services Administration (SAMHSA),

Background

8. In 2021, SAMHSA invited applications for Substance Use Prevention, Treatment, and Recovery Services Block Grant and Community Mental Health Services Block Grant programs pursuant to the Coronavirus Response and Relief Supplemental Appropriations Act (SUBG CRRSAA, MHBG CRRSAA) and pursuant to the American Rescue Plan Act (SUBG

ARPA, MHBG ARPA), and the COVID-19 Mitigation grant. DHCS applied for and was awarded five block grants with a total value of \$746,526,431.00. As of March 24, 2025, DHCS estimates that it had spent \$627,008,028.15 of these grant awards, and had allocated or obligated the remaining \$119,518,402.85. On March 24, 2025, DHCS had received and was processing invoices for some of these funds. I am informed and believe that there are also invoices DHCS has not yet received for expenditures and services that occurred prior to March 24, 2025.

9. The SUBG CRRSAA grant program provides funds to prevent and treat substance use; the MHBG CRRSAA grant program provides funds to provide comprehensive community mental health services; the SUBG ARPA grant program provides fund to help plan, implement, and evaluate activities that prevent and treat substance use; the MHBG ARPA grant program provides funds to establish or expand an organized community-based system of care for providing non-Title XIX mental health services to children with serious emotional disturbances (SEDs) and adults with serious mental illness (SMIs); and the COVID-19 Mitigation grant provides funds to prevent, prepare for, and respond to the COVID-19 public health emergency and ensure the continuity of services to support individuals connected to the behavioral health system.

10. As set out in its grant proposal, DHCS uses the SUBG CRRSAA and SUBG ARPA grants to provide SUBG funding for state level contracts and to local governments, community-based organizations, tribal organizations, county governments, clinics and coalitions, to either provide substance use disorder (SUD) services directly or by contracting with local SUD providers. The SUBG Program's objective is to help plan, implement, and evaluate activities that prevent and treat SUDs. Grantees use the SUBG program for prevention,

treatment, recovery support, and other services to supplement Medicaid and to provide SUD treatment for people who are underinsured or uninsured.

11. On March 24, 2025, DHCS received five award termination notices from SAMHSA. The total value of the terminated awards is in excess of \$119 million. These termination notices stated they were on the basis of the end of the COVID pandemic, rather than a failure by DHCS to follow the terms and conditions of the grants. Each termination stated as follows: “On April 10, 2023, President Biden signed PL 188-3 terminating the national emergency concerning the COVID-19 pandemic. Consistent with the President’s Executive Order 14222, Implementing the President’s “Department of Government Efficiency” Cost Efficiency Initiative requiring a comprehensive review of SAMHSA grants, and where appropriate and consistent with applicable law, terminate such grants to reduce the overall Federal spending **this grant is being terminated effective March 24, 2025**. These grants were issued for a limited purpose: To ameliorate the effects of the pandemic. The end of the pandemic provides cause to terminate COVID-related grants. Now that the pandemic is over, the grants are no longer necessary.” (Emphasis in original)

12. On March 28, 2025, DHCS received five award termination notices from SAMHSA that stated they should replace and supersede the previous termination notices received on March 24, 2025. Each subsequent termination notice stated as follows: “The termination of this award is for cause. The block grant provisions at 42 U.S.C. §300x-55 permit termination if the state ‘has materially failed to comply with the agreements or other conditions required for the receipt of a grant under the program involved.’” Although these notices assert that their terminations are for cause, they do not provide a factual basis demonstrating a material failure by the state. Furthermore, SAMHSA has not contacted DHCS regarding any alleged

failure to comply with the terms and conditions of the grant awards, or applicable federal guidance or regulations.

13. As a result of these terminations, the U.S. Department of Health and Human Services' (HHS) Payment Management Services (PMS) was closed from DHCS drawing down funds for the aforementioned grants. Days later, on the evening of March 28, 2025, SAMHSA sent another notice to DHCS. The notice confirmed the termination of funds and stated DHCS could seek approval for reimbursement of costs that DHCS incurred prior to the termination date. Because SAMHSA's notice stated that SAMHSA might return the reimbursement requests to DHCS without approval, it is unclear whether DHCS will recoup any of its unpaid incurred costs.

14. As of March 24, 2025, DHCS was still in the process of drawing down funds to pay for services funded with SUBG and MHBG CRRSAA grant funds in accordance with the grant terms and conditions and applicable federal regulations and guidance. In connection with other SAMHSA grants, at the end of a grant, SAMHSA has provided DHCS notice of the grant period ending. DHCS then would have a specified period of time to provide all invoices and complete all reporting requirements.

15. The SUBG and MHBG ARPA grant period ends on September 30, 2025. Services were ongoing on the date the termination was issued so DHCS was still in the process of drawing down funds to pay for ongoing services in accordance with the grant terms and conditions and applicable federal regulations and guidance.

16. The COVID-19 Mitigation grant period also ends on September 30, 2025, and services were ongoing on the date of termination.

17. I am providing this declaration to explain certain adverse impacts on the State of California that are caused by the federal government terminating these grant programs and preventing disbursement of federal grant awards for expenses already incurred or funds that have been allocated or encumbered and to explain more generally certain adverse impacts that are or might be caused when the federal government takes such action.

DHCS SAMHSA Grant Details

18. On March 11, 2021, SAMHSA issued a Notice of Award setting forth the terms and conditions of the MHBG CRRSAA grant to the California Department of Health Care Services in the amount of \$108,247,196 for the award period of March 15, 2021, through March 14, 2023. On March 26, 2024, SAMHSA issued a Notice of Award maintaining the original terms and conditions and extending the end of the award period to March 14, 2025, under a Retroactively Approved No Cost Extension. A true and correct copy of the corresponding Notice of Award dated March 11, 2021, and the Retroactively Approved No Cost Extension dated March 26, 2024, and its attachments, dated March 11, 2021, and March 26, 2024, respectively, are attached as Exhibits A and B, respectively.

19. On March 11, 2021, SAMHSA issued a Notice of Award setting forth the terms and conditions of the SUBG CRRSAA grant to the California Department of Health Care Services in the amount of \$238,465,012 for the award period of March 15, 2021, through March 14, 2023. A true and correct copy of the corresponding Notice of Award and its attachments, dated March 11, 2021, is attached as Exhibit C.

20. On May 17, 2021, SAMHSA issued a Notice of Award setting forth the terms and conditions of the SUBG ARPA grant to the California Department of Health Care Services in the amount of \$205,947,056 for the award period of September 1, 2021, through September 30,

2025. A true and correct copy of the corresponding Notice of Award and its attachments, dated May 17, 2021, is attached as Exhibit D.

21. On May 17, 2021, SAMHSA issued a Notice of Award setting forth the terms and conditions of the MHBG ARPA grant to the California Department of Health Care Services in the amount of \$186,972,433 for the award period of September 1, 2021, through September 30, 2025. A true and correct copy of the corresponding Notice of Award and its attachments, dated May 17, 2021, is attached as Exhibit E.

22. On August 10, 2021, SAMHSA issued a Notice of Award setting forth the terms and conditions of the COVID-19 Mitigation grant to the California Department of Health Care Services in the amount of \$6,434,404 for the award period of September 1, 2021, through September 30, 2025. A true and correct copy of the corresponding Notice of Award and its attachments, dated August 10, 2021, is attached as Exhibit F.

23. As of March 24, 2025, DHCS has expended all \$108,247,196.00 of its awarded MHBG CRRSAA funds.

24. As of March 24, 2025, DHCS has expended \$232,963,781.35 of its awarded SUBG CRRSAA funds, but was unable to draw down \$5,501,230.65 in funds through the HHS Payment Management System (PMS) despite the funds being obligated in accordance with the terms and conditions of the grant award and applicable federal regulations and guidance. Although SAMHSA notified DHCS on March 28, 2025, of some limited potential drawdown to reimburse DHCS for costs incurred prior to the termination, it is uncertain how much, if any, of the remaining funds DHCS will be able to access.

25. As of March 24, 2025, DHCS has expended \$154,578,499.71 of its awarded SUBG ARPA funds, but was unable to draw down \$51,368,556.29 in funds through the HHS

PMS despite the funds being obligated or allocated in accordance with the terms and conditions of the grant award and applicable federal regulations and guidance.

26. As of March 24, 2025, DHCS has expended \$124,706,169.09 of its awarded MHBG ARPA funds, but was unable to draw down \$62,266,263.91 in funds through the HHS PMS despite the funds being obligated or allocated in accordance with the terms and conditions of the grant award and applicable federal regulations and guidance.

27. As of March 24, 2025, DHCS has expended \$6,512,382 of its awarded COVID-19 Mitigation funds, but was unable to draw down \$382,352.00 in funds through the HHS PMS.

28. Although the majority of funds are expended, DHCS will suffer immediate negative impacts if DHCS does not receive the grant money it is relying on, or if receipt of that money is delayed due to PMS being closed. For instance, these terminations in funding will be immediately felt since DHCS will be unable to timely reimburse for services already provided by DHCS's partners and contractors. DHCS relied upon the SAMHSA grants in contracting for the services. If DHCS is unable to reimburse its partners and contractors, including counties and other public entities, for services that have already been provided but not paid for, it could lead to significant cash flow and funding challenges for those partners, creating a waterfall of negative impacts due to DHCS's inability to timely reimburse claims.

29. DHCS's Fiscal Year 2024-25 budget relies on federal funds, including grant funds, and DHCS made plans and allocated funding for programming based on SAMHSA's notices of award and extensions of federal funding pursuant to these five grants. In developing its annual budget, DHCS did so with the expectation that it would, in fact, promptly receive the federal funds to which it is entitled under its existing agreements under the aforementioned federal programs, on the specific timetables set forth under those agreements and programs. A

disruption in the receipt of those federal funds creates significant difficulties for DHCS, the programs and offices it oversees, and the many entities that receive DHCS funding. In California, county and local partners administer the vast majority of behavioral health and human services programs. If the federal administration is permitted to withhold federal funding for these programs, it will have a harmful effect on local communities, including potentially significant adverse health outcomes such as increased overdose rates, increased psychiatric emergency admissions to hospitals and emergency departments, and increased suffering due to untreated behavioral health conditions.

30. As mentioned above, any termination or pause in the receipt of these federal grants would cause significant problems for DHCS's operations and programs, which could result in adverse effects on health care delivery. Termination, or even a significant delay, would result in State and local programs being unable to absorb such a loss without cutting staff and services. State and local governments would be unable to make up this shortfall in funding, and behavioral health care services could be drastically curtailed as a consequence.

31. The abrupt and unexpected termination, along with the lack of information as to whether DHCS would be able to pay invoices for services already provided, caused confusion and significant work to address the issue. DHCS received inquiries from its many partners regarding the terminations and their consequences but did not have information to provide to stakeholders. DHCS continues to receive inquiries as to the impact on DHCS's programs and whether services are available to members and has had to expend resources to respond to these consequences.

32. DHCS continues to be concerned that the federal funding for these services and obligations entered into in reliance on these grants will be denied and that any other grants will

similarly be terminated without notice after services have been provided and obligations incurred in reliance on the grants.

Compliance with Grant Terms and Conditions
and Harms Caused by Grant Terminations

33. Since March 2021, DHCS has used the SUBG CRRSAA, MHBG CRRSAA, SUBG ARPA, MHBG ARPA, and the COVID-19 Mitigation grant funds in a manner fully consistent with SAMHSA's statements regarding the nature of the grant, all applicable federal guidance and regulations, and DHCS' grant applications approved by SAMHSA.

34. Specifically, as the COVID-19 pandemic intensified behavioral health needs across California and created new barriers for people with mental illness and substance use disorders, DHCS funded the Behavioral Health Response and Rescue Project (BHRRP) with the SUBG CRRSAA, MHBG CRRSAA, SUBG ARPA, MHBG ARPA and the COVID-19 Mitigation grants to increase access to behavioral health care for all Californians.

35. BHRRP is comprised of numerous targeted behavioral health programs that will be negatively impacted by the termination of the SUBG CRRSAA, MHBG CRRSAA, SUBG ARPA, MHBG ARPA, and the COVID-19 Mitigation grants. These grants funded behavioral health programs in a way that is designed to ultimately expand access to care in the Medi-Cal program. In many cases, these grant funds support initial capacity development, workforce expansion, and technical assistance to providers to gain capabilities, develop service arrays, and increase clinical capacities that would become permanently sustainable and reimbursable under the Medi-Cal program. The termination of these grant funds will have a significant, detrimental impact on the Medi-Cal program as some of these grant funds support the initial development of Medi-Cal programs to maturity.

36. DHCS relied and acted upon its expectation and understanding that SAMHSA would fulfill its commitment to provide SUBG and MHBG CRRSAA, SUBG and MHBG ARPA, and COVID-19 Mitigation Grant funding it had awarded to DHCS. If not for its reliance on the grant funding, DHCS would not have developed these BHRRP programs, and would not have dedicated significant state funds and resources to these BHRRP programs. Furthermore, the entities that DHCS engaged to implement these BHRRP programs relied upon these funding sources when developing their budgets and agreeing to provide these essential behavioral health services to Californians. If these grant funds are not restored, DHCS will not be able to reimburse these entities for the services they have already provided and have expended resources to provide through the end of the grant period.

37. Each of the BHRRP programs and the negative impact caused by the grant terminations are discussed in detail below:

38. **The Behavioral Health Workforce Development Project:** This project expands the behavioral health workforce statewide, analyzes the state of the current behavioral health workforce, and funds workforce development activities. As of March 24, 2025, \$4,635,364.55 in SUBG ARPA grant funds could not be drawn down for this project due to PMS being unavailable at that time, despite being obligated in accordance with the terms and conditions of the grant award and applicable federal regulations and guidance. Terminating these SUBG ARPA funds will result in California's certification entities being unable to certify counselors and other workforce members as qualified to perform this work. Without their ongoing work, California will not be able to address systemic gaps in workforce infrastructure and application backlog, and consequently, which would negatively impact Californians' ability to receive

much-needed behavioral health peer support services. DHCS and its partners have expended considerable resources, including state funds, on this project, which is now at risk of failure.

39. **The Behavioral Health Recovery Services Project:** This project funds the provision of direct services, assesses recovery services currently available within the state, and supports expansion efforts. As of March 24, 2025, \$892,056 in SUBG ARPA grant funds could not be drawn down for this project due to PMS being unavailable at that time, despite the funds being obligated in accordance with the terms and conditions of the grant award and applicable federal regulations and guidance. Terminating these SUBG ARPA funds may result in depriving over 100 California community-based organizations, tribal organizations, county governments, clinics, and coalitions funding necessary to provide culturally responsive recovery services, lower barriers to access services, integrate peer support across the recovery continuum, and utilize harm reduction approaches to drug use and recovery.

40. **Foster Youth Substance Use Disorder Evidence-Based and Promising Practices Program:** This project provides subrecipients with grant opportunities to develop and implement a variety of evidence-based and promising practices to serve foster youth with co-occurring substance use and mental health needs, including those who are residing in family-based settings. However, DHCS has utilized federal grant fund dollars to reimburse the Sierra Health Foundation to administer the grant program. As of March 24, 2025, \$200,000 in SUBG ARPA grant funds could not be drawn down for this project due to PMS being unavailable at that time, despite the funds being obligated in accordance with the terms and conditions of the grant award and applicable federal regulations and guidance. Terminating these SUBG APRA funds would result in DHCS' inability to administer the remainder of a grant program that is aimed at assisting foster youth with co-occurring substance use and mental health needs, a highly

at-risk population, and potentially place DHCS at risk of failing to comply with state and federal auditing requirements for its contractor failing to adhere to final report and contract closeout procedures.

41. **Crisis Care Mobile Units Program and Justice Intervention Services:** This project funds local organizations to provide a new Crisis Care Mobile Units program, prioritizing services for individuals 25 and younger, to support counties and regions to respond to urgent crises with trained teams of providers and peers, aiming to prevent unnecessary emergency department visits and police involvement. This project also provides behavioral health crisis intervention training and programs for law enforcement and other first responders. Funding will support social workers, counselors, case managers, and peer support specialists to be embedded with local law enforcement. As of March 24, 2025, \$346,714 in MHBG ARPA grant could not be drawn down for this project due to PMS being unavailable at that time, despite the funds being obligated in accordance with the terms and conditions of the grant award and applicable federal regulations and guidance. Terminating these MHBG ARPA funds would: (1) reduce local organizations' abilities to provide mobile crisis services that are able to reach any person in the service area in a timely manner and would connect individuals to facility-based or follow-up care, as needed, through handoffs and coordinated transportation to other locations, if necessary; (2) reduce opportunities to train law enforcement in behavioral health crisis intervention and reduce the availability of much-needed crisis intervention services; and (3) prevent DHCS from utilizing the grant funds to support development and expansion of mobile crisis services that would be reimbursable under Medi-Cal by providing local communities with funding to develop their mobile crisis infrastructure and capacity.

42. **Catalyst Center Technical Assistance Program:** This program engages and assists providers in understanding, developing, and implementing programs to operate Psychiatric Residential Treatment Facilities (PRTFs) which provide inpatient psychiatric treatment services to vulnerable children and youth. As of March 24, 2025, \$385,700 in MHBG ARPA grant funds could not be drawn down due to PMS being unavailable at that time despite the funds being obligated in accordance with the terms and conditions of the grant award and applicable federal regulations and guidance. Terminating these MHBG ARPA funds will hinder providers' ability to establish and operate PRTFs, which would provide a much-needed service to vulnerable children and youth.

43. **Aurrera Health Group – Project Consulting:** Through this contract, Aurrera Health Group provides targeted training and technical assistance to counties and other stakeholders regarding the numerous ARPA and CRRSAA-funded BHRRP programs and their requirements. As of March 24, 2025, \$262,500 in MHBG ARPA grant funds could not be drawn down due to PMS being unavailable at that time despite the funds being obligated in accordance with the terms and conditions of the grant award and applicable federal regulations and guidance. Terminating these MHBG ARPA funds will prevent additional BHRRP program training and technical assistance opportunities, which may deter less-sophisticated counties and stakeholders from participating in the BHRRP programs.

44. **Project Outcomes Analysis:** Under this program, the University of California, Los Angeles, would analyze CRRSAA and ARPA grant-funded projects and report outcomes to assist the state in identifying changes to the behavioral health system to address the needs of local communities. As of March 24, 2025, \$380,000 in MHBG ARPA grant and \$260,000 in SUBG ARPA grant funds could not be drawn down due to PMS being unavailable at that time

despite the funds being obligated in accordance with the terms and conditions of the grant award and applicable federal regulations and guidance. Terminating these MHBG and SUBG ARPA funds means critical data collection and reporting will no longer take place for these projects and the state will not have the data needed to improve the state's behavioral health delivery system.

45. **Medication Assisted Treatment (MAT) Re-Entry Incentive Program:** This program allows parolees to reduce their parole term by 30 days for every 6 months that they successfully complete MAT for their substance use disorder up to a maximum of 90 days. As of March 24, 2025, \$200,000 in SUBG ARPA funds could not be drawn down for this project due to PMS being unavailable at that time, despite the funds being obligated in accordance with the terms and conditions of the grant award and applicable federal regulations and guidance. Terminating these SUBG ARPA funds will reduce parolees' incentive to complete MAT and may increase their risk of substance use disorder relapse and recidivism.

46. **Statewide Primary Prevention Evidence-Based Registry:** Under this program, the University of California, Los Angeles, is developing a registry of replicable primary prevention programs, practices, and strategies that are evidence-based and/or community-defined evidence-based for counties to utilize in their local decision-making. As of March 24, 2025, \$53,575 SUBG ARPA grant funds could not be drawn down for this project due to PMS being unavailable at that time, despite the funds being obligated in accordance with the terms and conditions of the grant award and applicable federal regulations and guidance. Terminating these SUBG ARPA funds would prevent DHCS from implementing this registry statewide and would deprive communities of a resource that would improve prevention efforts at the local level.

47. **Statewide First Episode Psychosis (FEP) Technical Assistance:** Through this program, UC Davis assists MHBG funded counties with developing plans to implement and

operate Early Psychosis Intervention programs using the Coordinated Specialty Care model for the treatment of First-Episode Psychosis. As of March 24, 2025, \$1,488,915 of MHBG ARPA grant could not be drawn down for this project due to PMS being unavailable at that time, despite the funds being obligated in accordance with the terms and conditions of the grant award and applicable federal regulations and guidance. Terminating this MHBG ARPA funding will prevent counties from receiving this much-needed technical assistance and may prevent Californians from accessing much-needed Early Psychosis Intervention programs. Furthermore, terminating these funds would prevent DHCS from utilizing the grant funds to support the technical assistance and expansion of Coordinated Specialty Care services to individuals experiencing First-Episode Psychosis that would be reimbursable under Medi-Cal by providing support to local communities to develop their infrastructure and capacity for these critical services.

48. **Mental Health Continuum Analysis:** Through this program, the University of California, San Francisco is researching gaps within the mental health continuum of care to inform state policy. This program supports critical consulting services to DHCS to assist the state in developing its behavioral health policy and clinical issues. As of March 24, 2025, \$173,061.50 MHBG ARPA grant funds could not be drawn down for this project due to PMS being unavailable at that time, despite the funds being obligated in accordance with the terms and conditions of the grant award and applicable federal regulations and guidance. Termination of this funding will undermine DHCS' capacity to receive the support needed to make statewide policy decisions on behavioral health policy and clinical issues.

49. **CalBridge:** Through this program, the Public Health Institute provides Medi-Cal Community Health Worker training and technical assistance to over 275 hospitals that employ

behavioral health navigators in their emergency departments. As of March 24, 2025, \$20,754 MHBG ARPA funds could not be drawn down for this project due to PMS being unavailable at that time, despite the funds being obligated in accordance with the terms and conditions of the grant award and applicable federal regulations and guidance. The CalBridge program has led to higher rates of treatment engagement among individuals with opioid use disorder, which is associated with lower risks of morbidity and mortality. Terminating this MHBG ARPA funding may prevent the Public Health Institute from continuing its training efforts and may negatively impact Medi-Cal beneficiaries' ability to receive much-needed Community Health Worker services due to a lack of qualified providers. Furthermore, terminating these funds would prevent DHCS from utilizing the grant funds to support the implementation and expansion of Community Health Worker services that would be reimbursable under Medi-Cal by providing support to local communities to develop their infrastructure and capacity for these vital services.

50. **Disaster Behavioral Health Technical Assistance:** This project expands the disaster relief behavioral health provider network statewide and provides training and technical assistance to crisis counselors to serve persons and populations affected by natural disasters in California. As of March 24, 2025, \$103,500 MHBG ARPA funds could not be drawn down for this project due to PMS being unavailable at that time, despite the funds being obligated in accordance with the terms and conditions of the grant award and applicable federal regulations and guidance. Termination of these remaining funds would be detrimental to DHCS as these funds are obligated to pay for training and technical assistance contracts and would leave DHCS without funding to pay invoices for work performed and may result in Californians affected by natural disasters not receiving needed crisis counseling and other behavioral health services.

51. **COVID-19 Testing & Mitigation Project:** Through this project, DHCS expanded dedicated COVID-19 testing and mitigation resources for people with mental health and substance use disorders. These funds provide resources to prevent, prepare for, and respond to COVID-19 and ensure the continuity of services to support individuals connected to the behavioral health system. As of March 24, 2025, \$218,486 of COVID-19 Mitigation grant funds could not be drawn down for this project due to PMS being unavailable at that time, despite the funds being obligated in accordance with the terms and conditions of the grant award and applicable federal regulations and guidance. Termination of the remaining funds will result in Californians not receiving education on COVID-19 testing or onsite COVID-19 testing. There will be no funding to continue collaborating with community partners to prevent infectious disease transmission, expand COVID-19 response services for individuals connected to the behavioral health system, and support the maintenance of healthy environments. Furthermore, grantees receiving funds will no longer provide COVID education and testing in behavioral health facilities

County SUBG and MHBG ARPA

52. Of the \$205,947,056.00 SUBG ARPA funds awarded to DHCS, during fiscal year 2024-2025, DHCS allocated \$22,814,952.21 to be distributed to California counties through subawards.

53. Of the \$186,972,433.00 MHBG ARPA funds awarded to DHCS during fiscal year 2024-2025, DHCS allocated \$10,417,877.89 to be distributed to the counties through subawards.

54. Counties are required to utilize the SUBG and MHGB APRA funding to: 1) expand access to behavioral health care in California through investments in prevention, crisis response, intervention and treatment, and recovery services; 2) improve health outcomes across

the behavioral health care system by targeting the needs of the most vulnerable communities; and

3) inform policy decisions through research and data analysis on the behavioral health workforce, the behavioral health continuum of care, and the overall effectiveness of BHRRP programs.

55. As of March 24, 2025, \$19,295,635.49 of SUBG ARPA funds that DHCS allocated to the counties could not be drawn down due to PMS being unavailable at that time, despite the funds being obligated in accordance with the terms and conditions of the grant award and applicable federal regulations and guidance.

56. As of March 24, 2025, \$6,877,076.89 of MHBG ARPA funds that DHCS allocated to the counties could not be drawn down due to PMS being unavailable at that time, despite the funds being obligated in accordance with the terms and conditions of the grant award and applicable federal regulations and guidance.

57. Termination of the SUBG and MHBG ARPA grants will prevent the counties from continuing their efforts to increase access to behavioral health care services to members of their communities, including:

58. **Crisis Care Mobile Units and Mobile Crisis Services:** Almost all California counties utilized MHBG ARPA funds to build out the infrastructure and staffing to support California's new statewide Medi-Cal mobile crisis benefit. Although the new benefit primarily targets Medi-Cal members, thousands of Californians with both public and private insurance have benefitted from county mobile crisis team services. Termination of the remaining funds will result in immediate, detrimental impacts to the counties including loss of staffing and reduction in infrastructure capabilities, which would reduce access to critical Crisis Care Mobile Units and Mobile Crisis Services, resulting in: (1) increased delays in crisis response; (2) longer wait times

for individuals to be stabilized and receive appropriate treatment; and (3) patients languishing in emergency departments. I am informed and believe that numerous counties, including but not limited to those listed below, implemented the services described above and will be harmed by the termination of the grant funding, including but not limited to the harms described above: Merced, Tehama, Trinity, Santa Cruz, Santa Clara, Fresno, Alameda, Del Norte, Stanislaus, San Luis Obispo, Monterey, Mono, Riverside, Marin, San Diego, Lassen, Lake, and all recipients of the funding source.

59. **Coordinated Specialty Care for First Episode Psychosis:** County behavioral health agencies utilized MHBG ARPA funds to successfully implement Coordinated Specialty Care services for individuals experiencing First Episode Psychosis. These services address psychosis at its earliest signs in order to prevent the illness from progressing to the level of disability, homelessness, substance use, and worse. Terminating these grant funds will result in the failure to identify the early signs of psychosis in individuals causing an increase in local emergency department utilization, crisis evaluations, and inpatient psychiatric treatments. I am informed and believe that numerous counties, including but not limited to those listed below, implemented the services described above and will be harmed by the termination of the grant funding, including but not limited to the harms described above: El Dorado, Santa Clara, San Luis Obispo, Napa, Ventura, Marin, Mendocino, Santa Cruz, Stanislas, Riverside, and all recipients of the funding source.

60. **Residential Substance Use Disorder Services:** Counties utilize these SUBG ARPA funds to cover the cost of room and board for individuals receiving Medi-Cal reimbursable residential substance use disorder treatment services. Additionally, counties utilize these funds to cover the cost of providing residential treatment services to individuals who are

not eligible to receive Medi-Cal but cannot otherwise afford residential substance use disorder treatment services. Terminating these SUBG ARPA funds forces the counties to utilize funding from other sources to cover the cost of room and board and prevent counties from being able to provide substance use disorder residential treatment services to individuals who may not have otherwise been able to obtain it. I am informed and believe that numerous counties, including but not limited to those listed below, implemented the services described above and will be harmed by the termination of the grant funding, including but not limited to the harms described above: El Dorado, Lassen, and Mono.

61. **SUD Prevention & Early Intervention Services for Youth:** Counties utilize SUBG ARPA funds to support their local prevention and early intervention services programs for their local youth and adolescents. For example, Friday Night Live programs engage at-risk youth in an effort to decrease underage alcohol, marijuana, and methamphetamine use and prescription drug misuse among youth and young adults. These programs utilize youth-led projects, events, and sessions to improve school climates, encourage community involvement, and increase knowledge in areas of health. Additionally, counties utilized these funds to distribute overdose prevention kits along with other items to prevent disease spread in high-risk areas. Terminating this funding will force counties to divert funds from other services or will need to terminate services and activities, resulting in increased substance use among youth and adolescents. I am informed and believe that numerous counties, including but not limited to those listed below, implemented the services described above and will be harmed by the termination of the grant funding, including but not limited to the harms described above: Los Angeles, Inyo, Trinity, Santa Cruz, Santa Clara, Fresno, Alameda, Stanislaus, San Luis Obispo, Monterey, Napa, Riverside, Butte, Ventura, Shasta, Marin, Mendocino, Amador.

Additional Funding for Existing Behavioral Health Initiatives

62. DHCS has earmarked approximately \$78 million of the remaining SUBG ARPA, and MHBG ARPA grant dollars to continue to fund existing important behavioral health initiatives including: Crisis Care Mobile Units services; First Episodic Psychosis Technical Assistance; California Advancing and Innovating Medi-Cal (CalAIM) initiatives; Behavioral Health Community-Based Organized Networks of Equitable Care and Treatment (BH-CONNECT) initiatives; Behavioral Health Transformation (BHT); County SUBG ARPA allotments; and County MHBG allotments. Terminating these SUBG ARPA, and MHBG ARPA grants will prevent DHCS from: supporting and expanding the key behavioral health initiatives described throughout this declaration that have demonstrated positive and meaningful outcomes throughout the State; advancing the implementation of recently developed behavioral health initiatives; and allocating additional ARPA funds to high-performing counties to continue delivering quality behavioral health services. As a result, Californians will be deprived of critical behavioral services, negatively impacting communities desperately in need of those services.

63. All of these numbers are broad estimates and subject to change.

I declare under penalty of perjury under the laws of the United States that, to the best of my knowledge, the foregoing is true and correct.

Executed on March 30, 2025, at Sacramento, California.



Marlies Perez

EXHIBIT A

**Recipient Information****1. Recipient Name**HEALTH CARE SERVICES, CALIFORNIA
DEPARTMENT OF**2. Congressional District of Recipient**

06

3. Payment System Identifier (ID)**4. Employer Identification Number (EIN)****5. Data Universal Numbering System (DUNS)****6. Recipient's Unique Entity Identifier****7. Project Director or Principal Investigator****8. Authorized Official****Federal Agency Information****9. Awarding Agency Contact Information**

Wendy Pang

10. Program Official Contact Information

Center for Mental Health Services

Federal Award Information**11. Award Number****12. Unique Federal Award Identification Number (FAIN)****13. Statutory Authority**

Subparts I&III,B,Title XIX,PHS Act/45 CFR Part96

14. Federal Award Project Title

Block Grants for Community Mental Health Services

15. Assistance Listing Number

93.958

16. Assistance Listing Program Title

Block Grants for Community Mental Health Services

17. Award Action Type

New Competing

18. Is the Award R&D?

No

Summary Federal Award Financial Information**19. Budget Period Start Date 03/15/2021 – End Date 03/14/2023****20. Total Amount of Federal Funds Obligated by this Action** \$108,247,196

20 a. Direct Cost Amount \$108,247,196

20 b. Indirect Cost Amount \$0

21. Authorized Carryover**22. Offset****23. Total Amount of Federal Funds Obligated this budget period** \$108,247,196**24. Total Approved Cost Sharing or Matching, where applicable** \$0**25. Total Federal and Non-Federal Approved this Budget Period** \$108,247,196**26. Project Period Start Date 03/15/2021 – End Date 03/14/2023****27. Total Amount of the Federal Award including Approved Cost** \$108,247,196

Sharing or Matching this Project Period

28. Authorized Treatment of Program Income

Additional Costs

29. Grants Management Officer - Signature**30. Remarks**

Acceptance of this award, including the "Terms and Conditions," is acknowledged by the recipient when funds are drawn down or otherwise requested from the grant payment system.

Notice of Award



MHBG
Department of Health and Human Services
Substance Abuse and Mental Health Services Administration

Issue Date: 03/11/2021

Center for Mental Health Services

Award Number: [REDACTED]

FAIN: [REDACTED]

Contact Person: [REDACTED]

Program: Block Grants for Community Mental Health Services

HEALTH CARE SERVICES, CALIFORNIA DEPARTMENT OF

[REDACTED]

[REDACTED]

Award Period: 03/15/2021 – 03/14/2023

Dear Grantee:

The Substance Abuse and Mental Health Services Administration hereby awards a grant in the amount of \$108,247,196 (see "Award Calculation" in Section I) to HEALTH CARE SERVICES, CALIFORNIA DEPARTMENT OF in support of the above referenced project. This award is pursuant to the authority of Subparts I&III,B, Title XIX, PHS Act/45 CFR Part96 and is subject to the requirements of this statute and regulation and of other referenced, incorporated or attached terms and conditions.

Acceptance of this award including the "Terms and Conditions" is acknowledged by the grantee when funds are drawn down or otherwise obtained from the grant payment system.

If you have any questions about this award, please contact your Grants Management Specialist and your Government Project Officer listed in your terms and conditions.

Sincerely yours,

[REDACTED]

See additional information below

SECTION I – AWARD DATA – [REDACTED]

FEDERAL FUNDS APPROVED: \$108,247,196

AMOUNT OF THIS ACTION (FEDERAL SHARE): \$108,247,196

CUMULATIVE AWARDS TO DATE: \$108,247,196

UNAWARDED BALANCE OF CURRENT YEAR'S FUNDS: \$0

Fiscal Information:

CFDA Number: 93.958

EIN: [REDACTED]

Document

Number: SC5

Fiscal Year: 2021

IC	CAN	01
[REDACTED]	[REDACTED]	\$108,247,196

PCC: CMHS / OC: 4115

SECTION II – PAYMENT/HOTLINE INFORMATION – [REDACTED]

Payments under this award will be made available through the HHS Payment Management System (PMS). PMS is a centralized grants payment and cash management system, operated by the HHS Program Support Center (PSC), Division of Payment Management (DPM). Inquiries regarding payment should be directed to: The Division of Payment Management System, [REDACTED], Help Desk Support – Telephone Number: [REDACTED]

The HHS Inspector General maintains a toll-free hotline for receiving information concerning fraud, waste, or abuse under grants and cooperative agreements. The telephone number is: [REDACTED]. The mailing address is: Office of Inspector General, Department of Health and Human Services, Attn: HOTLINE, 330 Independence Ave., SW, Washington, DC 20201.

SECTION III – TERMS AND CONDITIONS – 1B09SM083945-01

REMARKS

Correspondence Notice

Please Note: A letter from Acting Assistant Secretary for Mental Health and Substance Use, Tom Coderre, will be sent via eRA Commons.

STANDARD TERMS AND CONDITIONS

MHBG FY2021 COVID emergency funding

Remarks:

This Notice of Award (NoA) provides COVID emergency relief funding for the Community Mental Health Services (MHBG) Block Grant Program, in accordance with the Coronavirus Response and Relief Supplement Appropriations Act, 2021 [P.L. 116-260]. The awarded funds must be used for activities consistent with the MHBG program requirements.

A proposal of the state's spending plan must be submitted by April 5, 2021 via the Web Block Grant Application System (WebBGAS). Further information on this is included in the letter from Acting Assistant Secretary for Mental Health and Substance Use, Tom Coderre.

Standard Terms of Award:

1) Acceptance of the Terms of an Award

By drawing or otherwise obtaining funds from the HHS Payment Management System, the recipient acknowledges acceptance of the terms and conditions of the award and is obligated to perform in accordance with the requirements of the award. Except for any waiver granted explicitly elsewhere in this section, this award does not constitute approval for waiver of any Federal statutory/regulatory requirements for a MHBG. Once an award is accepted by a recipient, the contents of the Notice of Award (NoA) are binding on the recipient unless and until modified by a revised NoA signed by the GMO.

Certification Statement: By drawing down funds, The recipient agrees to abide by the statutory requirements of all sections of the Mental Health Block Grant (MHBG) (Public Health Service Act, Sections 1911-1920 and sections 1941-1957) (42 U.S.C. [REDACTED], as amended), and other administrative and legal requirements as applicable for the duration of the award.

2) Official Form Designee

The States Chief Executive Officer, or authorized designee is considered the official form designee for this grant. The SAMHSA GMS and the MHBG Program Officer must be notified immediately before any changes in this key position are made. Please note that individuals that are suspended or debarred are prohibited from serving on Federal grant awards.

3) Availability of Funds

Funds provided under this grant must be obligated and expended by March 14, 2023. However, SAMHSA will consider extensions to this period of funding upon request.

4) Administrative Requirements

This award is subject to the administrative requirements for HHS block grants under 45 CFR Part 96, Subpart C, and 45 CFR Part 75, as specified. Except for section 75.202 of Subpart C, and sections 75.351 through 75.353 of Subpart D, the requirements in Subpart C, Subpart D, and Subpart E do not apply to this program (reference 45 CFR Part 75 Subpart B, 75.101(d)).

5) Flow-down of requirements to sub-recipients

The grantee, as the awardee organization, is legally and financially responsible for all aspects of this award including funds provided to sub-recipients, in accordance with 45 CFR 75.351 75.353, Sub-recipient monitoring and management.

6) Early Serious Mental Illness Set-Aside

The 21st Century Cures Act, P.L. 114-255 amended Section 1920(c) of the Public Health Service Act (42 U.S.C. 300x 9(c)). States must set-aside not less than 10 percent of their total MHBG allocation amount for each fiscal year to support evidence-based programs that address the needs of individuals with early serious mental illness, including psychotic disorders, regardless of the age of the individual at onset. In lieu of expending 10 percent of the amount, the State receives for a fiscal year, states have the flexibility to expend not less than 20 percent of such amount by the end of the succeeding fiscal year.

7) Crisis Services 5% set-aside

The Consolidated Appropriations Act, 2021 and the Coronavirus Response and Relief Supplement Appropriations Act, 2021 [P.L. 116-260] requires states to set-aside not less than 5 percent of their total MHBG allocation amount for each fiscal year to support evidence-based crisis care programs addressing the needs of individuals with serious mental illnesses and children with serious mental and emotional disturbances. The set- aside must be used to fund some or all of a set of core crisis care elements including: centrally deployed 24/7 mobile crisis units, short-term residential crisis stabilization beds, evidence-based protocols for delivering services to individuals with suicide risk, and regional or State-wide crisis call centers coordinating in real time.

8) Executive Pay

The Consolidated Appropriations Act, 2021 (Public Law 116-260), signed into law on December 27, 2020 restricts the amount of direct salary to Executive Level II of the Federal Executive Pay scale. Effective January 3, 2021, the salary limitation for Executive Level II is \$199,300.

For awards issued prior to this change, if adequate funds are available in active awards, and if the salary cap increase is consistent with the institutional base salary, recipients may re-budget to accommodate the current Executive Level II salary level. However, no additional funds will be provided to these grant awards.

9) Marijuana Restriction:

Grant funds may not be used, directly or indirectly, to purchase, prescribe, or provide marijuana or treatment using marijuana. Treatment in this context includes the treatment of opioid use disorder. Grant funds also cannot be provided to any individual

who or organization that provides or permits marijuana use for the purposes of treating substance use or mental disorders. See, e.g., 45 C.F.R. 75.300(a) (requiring HHS to ensure that Federal funding is expended . . . in full accordance with U.S. statutory . . . requirements.); 21 U.S.C. 812(c) (10) and 841 (prohibiting the possession, manufacture, sale, purchase or distribution of marijuana). This prohibition does not apply to those providing such treatment in the context of clinical research permitted by the DEA and under an FDA-approved investigational new drug application where the article being evaluated is marijuana or a constituent thereof that is otherwise a banned controlled substance under federal law.

10) SAM and DUNS Requirements

THIS AWARD IS SUBJECT TO REQUIREMENTS AS SET FORTH IN 2 CFR 25.110 CENTRAL CONTRACTOR REGISTRATION CCR) (NOW SAM) AND DATA UNIVERSAL NUMBER SYSTEM (DUNS) NUMBERS. 2 CFR Part 25 - Appendix A4

System of Award Management (SAM) and Universal Identifier Requirements

A. Requirement for System of Award Management:

Unless you are exempted from this requirement under 2 CFR 25.110, you, as the recipient, must maintain the currency of your information in the SAM, until you submit the final financial report required under this award or receive the final payment, whichever is later. This requires that you review and update the information at least annually after the initial registration, and more frequently if required by changes in your information or another award term.

B. Requirement for unique entity identifier If you are authorized (reference project description) to make subawards under this award, you:

1. Must notify potential subrecipients that no entity (see definition in paragraph C of this award term) may receive a subaward from you, unless the entity has provided its unique entity identifier to you.
2. May not make a subaward to an entity, unless the entity has provided its unique entity identifier to you.

C. Definitions. For purposes of this award term:

1. System of Award Management (SAM) means the federal repository into which an entity must provide information required for the conduct of business as a recipient. Additional information about registration procedures may be found at the SAM Internet site (currently at: <http://www.sam.gov>).
2. Unique entity identifier means the identifier required for SAM registration to uniquely identify business entities.
3. Entity, as it is used in this award term, means all of the following, as defined at 2 CFR Part 25, Subpart C:
 - a. A governmental organization, which is a state, local government, or Indian Tribe; b. A foreign public entity; c. A domestic or foreign nonprofit organization; d. A domestic or foreign for-profit organization; and e. A Federal agency, but only as a sub-recipient under an award or sub-award to a nonfederal entity.
4. Sub-award:
 - a. This term means a legal instrument to provide support for the performance of any portion of the substantive project or program for which you received this award and that you as the recipient award to an eligible sub-recipient. b. The term does not

include your procurement of property and services needed to carry out the project or program (for further explanation, see 2 CFR 200.330). c. A sub-award may be provided through any legal agreement, including an agreement that you consider a contract.

5. Sub-recipient means an entity that: a. Receives a sub-award from you under this award; and b. Is accountable to you for the use of the federal funds provided by the sub-award.

11) Federal Financial Accountability and Transparency Act (FFATA)

Reporting Subawards and Executive Compensation, 2 CFR, Appendix A to Part 170

a. Reporting of first tier subawards.

1. Applicability. Unless you are exempt as provided in paragraph d. of this award term, you must report each action that obligates \$25,000 or more in Federal funds that does not include Recovery funds (as defined in section 1512(a)(2) of the American Recovery and Reinvestment Act of 2009, Pub. L. 111-5) for a subaward to an entity (see definitions in paragraph e. of this award term).

2. Where and when to report.

i. You must report each obligating action described in paragraph a.1. of this award term to <http://www.fsrs.gov>.

ii. For subaward information, report no later than the end of the month following the month in which the obligation was made. (For example, if the obligation was made on November 7, 2010, the obligation must be reported by no later than December 31, 2010.)

3. What to report. You must report the information about each obligating action that the submission instructions posted at <http://www.fsrs.gov> specify.

b. Reporting Total Compensation of Recipient Executives.

1. Applicability and what to report. You must report total compensation for each of your five most highly compensated executives for the preceding completed fiscal year, if

i. the total Federal funding authorized to date under this award is \$25,000 or more;

ii. in the preceding fiscal year, you received (A) 80 percent or more of your annual gross revenues from Federal procurement contracts (and subcontracts) and Federal financial assistance subject to the Transparency Act, as defined at 2 CFR 170.320 (and subawards); and (B) \$25,000,000 or more in annual gross revenues from Federal procurement contracts (and subcontracts) and Federal financial assistance subject to the Transparency Act, as defined at 2 CFR 170.320 (and subawards); and

iii. The public does not have access to information about the compensation of the executives through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986. (To determine if the public has access to the compensation information, see the U.S. Security and Exchange Commission total compensation filings at <http://www.sec.gov/answers/execomp.htm>.)

2. Where and when to report. You must report executive total compensation described in paragraph b. 1. of this award term:

i. As part of your registration profile at <https://www.sam.gov>.

ii. By the end of the month following the month in which this award is made, and annually thereafter.

c. Reporting of Total Compensation of Subrecipient Executives.

1. Applicability and what to report. Unless you are exempt as provided in paragraph d. of this award term, for each first tier subrecipient under this award, you shall report the names and total compensation of each of the subrecipient's five most highly compensated executives for the subrecipient's preceding completed fiscal year, if

i. in the subrecipient's preceding fiscal year, the subrecipient received (A) 80 percent or more of its annual gross revenues from Federal procurement contracts (and subcontracts) and Federal financial assistance subject to the Transparency Act, as defined at 2 CFR 170.320 (and subawards); and (B) \$25,000,000 or more in annual gross revenues from Federal procurement contracts (and subcontracts), and Federal financial assistance subject to the Transparency Act (and subawards); and

ii. The public does not have access to information about the compensation of the executives through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986. (To determine if the public has access to the compensation information, see the U.S. Security and Exchange Commission total compensation filings at <http://www.sec.gov/answers/execomp.htm>.)

2. Where and when to report. You must report subrecipient executive total compensation described in paragraph c. 1. of this award term:

i. To the recipient.

ii. By the end of the month following the month during which you make the subaward. For example, if a subaward is obligated on any date during the month of October of a given year (i.e., between October 1 and 31), you must report any required compensation information of the subrecipient by November 30 of that year.

d. Exemptions If, in the previous tax year, you had gross income, from all sources, under \$300,000, you are exempt from the requirements to report:

i. Subawards, and

ii. The total compensation of the five most highly compensated executives of any subrecipient.

e. Definitions. For purposes of this award term:

1. Entity means all of the following, as defined in 2 CFR part 25:

i. A Governmental organization, which is a State, local government, or Indian tribe;

ii. A foreign public entity;

iii. A domestic or foreign nonprofit organization;

iv. A domestic or foreign for-profit organization;

v. A Federal agency, but only as a subrecipient under an award or subaward to a non-Federal entity.

2. Executive means officers, managing partners, or any other employees in management positions.

3. Subaward:

i. This term means a legal instrument to provide support for the performance of any portion of the substantive project or program for which you received this award and that you as the recipient award to an eligible subrecipient.

ii. The term does not include your procurement of property and services needed to carry out the project or program (for further explanation, see Sec. __. 210 of the attachment to OMB Circular A-133, Audits of States, Local Governments, and Nonprofit Organizations).

iii. A subaward may be provided through any legal agreement, including an agreement that you or a subrecipient considers a contract.

4. Subrecipient means an entity that: i. Receives a subaward from you (the recipient) under this award; and ii. Is accountable to you for the use of the Federal funds provided by the subaward.

5. Total compensation means the cash and noncash dollar value earned by the executive during the recipient's or subrecipient's preceding fiscal year and includes the following (for more information see 17 CFR 229.402(c)(2)):

i. Salary and bonus.

ii. Awards of stock, stock options, and stock appreciation rights. Use the dollar amount recognized for financial statement reporting purposes with respect to the fiscal year in accordance with the Statement of Financial Accounting Standards No. 123 (Revised 2004) (FAS 123R), Shared Based Payments.

iii. Earnings for services under non-equity incentive plans. This does not include group life, health, hospitalization or medical reimbursement plans that do not discriminate in favor of executives and are available generally to all salaried employees.

iv. Change in pension value. This is the change in present value of defined benefit and actuarial pension plans.

v. Above-market earnings on deferred compensation which is not tax-qualified. vi. Other compensation, if the aggregate value of all such other compensation (e.g. severance, termination payments, value of life insurance paid on behalf of the employee, perquisites or property) for the executive exceeds \$10,000. [75 FR 55669, Sept. 14, 2010, as amended at 79 FR 75879, Dec. 19, 2014]

12) Mandatory Disclosures

Consistent with 45 CFR 75.113, applicants and recipients must disclose in a timely manner, in writing to the HHS Office of Inspector General (OIG), all information related to violations, or suspected violations, of Federal criminal law involving fraud, bribery, or gratuity violations potentially affecting the Federal award. Subrecipients must disclose, in a timely manner, in writing to the prime recipient (pass through

entity) and the HHS OIG, all information related to violations, or suspected violations, of Federal criminal law involving fraud, bribery, or gratuity violations potentially affecting the Federal award. Disclosures must be sent in writing to the awarding agency and to the HHS OIG at the following addresses:

U.S. Department of Health and Human Services Office of Inspector General

ATTN: Mandatory Grant Disclosures, [REDACTED]

[REDACTED]

[REDACTED] (Include "Mandatory Grant Disclosures" in subject line) or email: MandatoryGranteeDisclosures@oig.hhs.gov

Failure to make required disclosures can result in any of the remedies described in 45 CFR 75.371 remedies for noncompliance, including suspension or debarment (see 2 CFR parts 180 & 376 and 31 U.S.C. 3321).

13) The Trafficking Victims Protection Act of 2000 (22 U.S.C. 7104(G)), as amended, and 2 C.F.R. PART 175

The Trafficking Victims Protection Act of 2000 authorizes termination of financial assistance provided to a private entity, without penalty to the Federal government, if the recipient or subrecipient engages in certain activities related to trafficking in persons. SAMHSA may unilaterally terminate this award, without penalty, if a private entity recipient, or a private entity subrecipient, or their employees: a) Engage in severe forms of trafficking in persons during the period of time that the award is in effect; b) Procure a commercial sex act during the period of time that the award is in effect; or, c) Use forced labor in the performance of the award or subawards under the award. The text of the full award term is available at 2 C.F.R. 175.15(b). See <http://www.gpo.gov/fdsys/pkg/CFR-2012-title2-vol1/pdf/CFR-2012-title2-vol1-sec175-15.pdf>.

14) Drug-Free Workplace Requirements

The Drug-Free Workplace Act of 1988 (41 U.S.C. 701 et seq.) requires that all organizations receiving grants from any Federal agency agree to maintain a drug-free workplace. When the AR signed the application, the AR agreed that the recipient will provide a drug-free workplace and will comply with the requirement to notify SAMHSA if an employee is convicted of violating a criminal drug statute. Failure to comply with these requirements may be cause for debarment. Government wide requirements for Drug-Free Workplace for Financial Assistance are found in 2 CFR part 182; HHS implementing regulations are set forth in 2 CFR part 382.400. All recipients of SAMHSA grant funds must comply with the requirements in Subpart B (or Subpart C if the recipient is an individual) of Part 382.

15) Lobbying

No funds provided under the attached Notice of Award (NoA) may be used by you or any sub-recipient under the grant to support lobbying activities to influence proposed or pending federal or state legislation or appropriations. The prohibition relates to the use of federal grant funds and is not intended to affect your right or that of any other organization, to petition Congress or any other level of government, through the use of other nonfederal resources. Reference 45 CFR Part 93.

16) Accessibility Provisions

Grant recipients of Federal financial assistance (FFA) from HHS must administer their programs in compliance with Federal civil rights law. This means that recipients of HHS funds must ensure equal access to their programs without regard to a person's race, color, national origin, disability, age, and in some circumstances, sex and religion. This includes ensuring your programs are accessible to persons with limited English proficiency. The HHS Office for Civil Rights also provides guidance on complying with civil rights laws enforced by HHS. Please see <http://www.hhs.gov/ocr/civilrights/understanding/section1557/index.html>. Recipients of FFA also have specific legal obligations for serving qualified individuals with disabilities. Please see <http://www.hhs.gov/ocr/civilrights/understanding/disability/index.html>. Please contact the HHS Office for Civil Rights for more information about obligations and prohibitions under Federal civil rights laws at <https://www.hhs.gov/civil-rights/index.html> or call 1-800-368-1019 or TDD 1-800-537-7697. Also note that it is an HHS Departmental goal to ensure access to quality, culturally competent care, including long-term services and supports, for vulnerable populations. For further guidance on providing culturally and linguistically appropriate services, recipients should review the National Standards for Culturally and Linguistically Appropriate Services in Health and Health Care at <https://minorityhealth.hhs.gov/omh/browse.aspx?lvl=1&lvlid=6>.

17) Audits

Non-Federal recipients that expend \$750,000 or more in federal awards during the recipient's fiscal year must obtain an audit conducted for that year in accordance with the provisions of 45 CFR 96.31.

Recipients are responsible for submitting their Single Audit Reports and the Data Collections Forms (SF-FAC) electronically to the Federal Audit Clearinghouse Visit disclaimer page (FAC) within the earlier of 30 days after receipt or nine months after the FY's end of the audit period. The FAC operates on behalf of the OMB.

For specific questions and information concerning the submission process: Visit the Federal Audit Clearinghouse at <https://harvester.census.gov/facweb> or Call FAC at the toll-free number: (800) 253-0696

Reporting Requirements:

Federal Financial Report (FFR)

The recipient is required to submit a Federal Financial Report (FFR) 90 days after the close of the performance period (project period). The SF-425 shall report total funds obligated and total funds expended by the grantee.

Effective January 1, 2021, award recipients are required to submit the SF-425 Federal Financial Report (FFR) via the Payment Management System (PMS). If the individual responsible for FFR submission does not already have an account with PMS, please [contact PMS](#) to obtain access.

Recipients must liquidate all obligations incurred under an award not later than ninety

(90) days after the end of the award obligation and expenditure period (i.e., the project period) which also coincides with the due date for submission of the FINAL SF-425, *Federal Financial Report* (FFR). After ninety (90) days, letter of credit accounts are locked. SAMHSA does not approve extensions to the ninety (90) day post-award reconciliation/liquidation period. Therefore, recipients are expected to complete all work and reporting within the approved project period and the aforementioned 90-day post-award reconciliation/liquidation period. Recipients (late) withdrawal requests occurring after the aforementioned periods are denied. In rare instances, SAMHSA may approve an extension to submit a FINAL SF-425 FFR report, but this is *not* an extension of the 90-day post award reconciliation/liquidation period, but rather only an extension to submit the Final SF-425 report (FFR).

Annual Report

Reporting on the COVID emergency relief funding is required. States must prepare and submit their respective reports utilizing WebBGAS. Failure to comply with these requirements may cause the initiation of enforcement actions that can culminate in discontinuation of MHBG grants.

Your assigned MHBG Program Official (PPO) will provide further guidance and additional submission information.

In accordance with the regulatory requirements provided at 45 CFR 75.113 and Appendix XII to 45 CFR Part 75, recipients that have currently active Federal grants, cooperative agreements, and procurement contracts with cumulative total value greater than \$10,000,000 must report and maintain information in the System for Award Management (SAM) about civil, criminal, and administrative proceedings in connection with the award or performance of a Federal award that reached final disposition within the most recent five-year period. The recipient must also make semiannual disclosures regarding such proceedings. Proceedings information will be made publicly available in the designated integrity and performance system (currently the Federal Awardee Performance and Integrity Information System (FAPIIS)). Full reporting requirements and procedures are found in Appendix XII to 45 CFR Part 75.

Staff Contacts:

██████████ Program Official
Phone: ██████████ **Email:** ██████████@samhsa.hhs.gov

██████████ Grants Specialist
Phone: ██████████ **Email:** ██████████@samhsa.hhs.gov **Fax:** ██████████

EXHIBIT B



Recipient Information

1. Recipient Name

HEALTH CARE SERVICES, CALIFORNIA
DEPARTMENT OF

2. Congressional District of Recipient

07

3. Payment System Identifier (ID)

4. Employer Identification Number (EIN)

5. Data Universal Numbering System (DUNS)

6. Recipient's Unique Entity Identifier

7. Project Director or Principal Investigator

@dhcs.ca.gov

8. Authorized Official

@dhcs.ca.gov

Federal Agency Information

9. Awarding Agency Contact Information

10. Program Official Contact Information

Federal Award Information

11. Award Number

12. Unique Federal Award Identification Number (FAIN)

13. Statutory Authority

Subparts I&III,B, Title XIX, PHS Act/45 CFR Part96

14. Federal Award Project Title

Block Grants for Community Mental Health Services

15. Assistance Listing Number

93.958

16. Assistance Listing Program Title

Block Grants for Community Mental Health Services

17. Award Action Type

Amendment

18. Is the Award R&D?

No

Summary Federal Award Financial Information

19. Budget Period Start Date 03/15/2021 – End Date 03/14/2025

20. Total Amount of Federal Funds Obligated by this Action

\$0

20 a. Direct Cost Amount

\$0

20 b. Indirect Cost Amount

\$0

21. Authorized Carryover

22. Offset

23. Total Amount of Federal Funds Obligated this budget period

\$0

24. Total Approved Cost Sharing or Matching, where applicable

\$0

25. Total Federal and Non-Federal Approved this Budget Period

\$0

26. Project Period Start Date 03/15/2021 – End Date 03/14/2025

27. Total Amount of the Federal Award including Approved Cost

\$108,247,196

Sharing or Matching this Project Period

28. Authorized Treatment of Program Income

Additional Costs

29. Grants Management Officer - Signature

Wendy Pang

30. Remarks

Acceptance of this award, including the "Terms and Conditions," is acknowledged by the recipient when funds are drawn down or otherwise requested from the grant payment system.

Notice of Award



MHBG

Department of Health and Human Services
Substance Abuse and Mental Health Services Administration

Issue Date: 03/26/2024

Center for Mental Health Services

Award Number: [REDACTED]

FAIN: [REDACTED]

Contact Person: [REDACTED]

Program: Block Grants for Community Mental Health Services

HEALTH CARE SERVICES, CALIFORNIA DEPARTMENT OF
[REDACTED]
[REDACTED]

Award Period: 03/15/2021 – 03/14/2025

Dear Grantee:

The Substance Abuse and Mental Health Services Administration hereby awards a grant in the amount of \$0 (see "Award Calculation" in Section I) to HEALTH CARE SERVICES, CALIFORNIA DEPARTMENT OF in support of the above referenced project. This award is pursuant to the authority of Subparts I&III,B, Title XIX, PHS Act/45 CFR Part 96 and is subject to the requirements of this statute and regulation and of other referenced, incorporated or attached terms and conditions.

Acceptance of this award including the "Terms and Conditions" is acknowledged by the grantee when funds are drawn down or otherwise obtained from the grant payment system.

If you have any questions about this award, please contact your Grants Management Specialist and your Government Project Officer listed in your terms and conditions.

Sincerely yours,
[REDACTED]

See additional information below

SECTION I – AWARD DATA –

FEDERAL FUNDS APPROVED: \$108,247,196

AMOUNT OF THIS ACTION (FEDERAL SHARE): \$0

CUMULATIVE AWARDS TO DATE: \$108,247,196

UNAWARDED BALANCE OF CURRENT YEAR'S FUNDS: \$0

Fiscal Information:

CFDA Number:

EIN:

Document Number:

Fiscal Year:

2021

IC	CAN	01
		\$0

PCC: CMHS / **OC:** 4115

SECTION II – PAYMENT/HOTLINE INFORMATION –

Payments under this award will be made available through the HHS Payment Management System (PMS). PMS is a centralized grants payment and cash management system, operated by the HHS Program Support Center (PSC), Division of Payment Management (DPM). Inquiries regarding payment should be directed to: The Division of Payment Management System, , Help Desk Support – Telephone Number:

The HHS Inspector General maintains a toll-free hotline for receiving information concerning fraud, waste, or abuse under grants and cooperative agreements. The telephone number is: 1-800-HHS-TIPS (1-800-447-8477). The mailing address is:

SECTION III – TERMS AND CONDITIONS –

REMARKS:

This NoA retroactively approves the second No Cost Extension (NCE) up to 03/14/2025 for the award as per grantee's request submitted in WebBgas.

All previous terms and conditions remain in full force and effect.

In accordance with the regulatory requirements provided at 45 CFR 75.113 and Appendix XII to 45 CFR Part 75, recipients that have currently active Federal grants, cooperative agreements, and procurement contracts with cumulative total value greater than \$10,000,000 must report and maintain information in the System for Award Management (SAM) about civil, criminal, and administrative proceedings in connection with the award or performance of a Federal award that reached final disposition within the most recent five-year period. The recipient must also make semiannual disclosures regarding such proceedings. Proceedings information will be made publicly available in the designated integrity and performance system (currently the Federal Awardee Performance and Integrity Information System (FAPIIS)). Full reporting requirements and procedures are found in Appendix XII to 45 CFR Part 75.

Staff Contacts:

[REDACTED], Program Official
Phone: [REDACTED] Email: [REDACTED]@samhsa.hhs.gov

[REDACTED] Grants Specialist
Phone: [REDACTED] Email: [REDACTED]@samhsa.hhs.gov Fax: [REDACTED]

EXHIBIT C

Department of Health and Human Services
Substance Abuse and Mental Health Services Administration
Center for Substance Abuse TreatmentNotice of Award
FAIN# [REDACTED]
Federal Award Date
03/11/2021

Recipient Information

1. Recipient Name

HEALTH CARE SERVICES, CALIFORNIA
DEPARTMENT OF

2. Congressional District of Recipient

06

3. Payment System Identifier (ID)

4. Employer Identification Number (EIN)

5. Data Universal Numbering System (DUNS)

6. Recipient's Unique Entity Identifier

7. Project Director or Principal Investigator

@dhcs.ca.gov

8. Authorized Official

@dhcs.ca.gov

Federal Agency Information

9. Awarding Agency Contact Information

@samhsa.hhs.gov

10. Program Official Contact Information

@samhsa.hhs.gov

Federal Award Information

11. Award Number

12. Unique Federal Award Identification Number (FAIN)

13. Statutory Authority

Subparts II&III,B,Title XIX,PHS Act/45 CFR Part96

14. Federal Award Project Title

Substance Abuse Prevention & Treatment Block Grant

15. Assistance Listing Number

93.959

16. Assistance Listing Program Title

Block Grants for Prevention and Treatment of Substance Abuse

17. Award Action Type

New Competing

18. Is the Award R&D?

No

Summary Federal Award Financial Information

19. Budget Period Start Date 03/15/2021 – End Date 03/14/2023

20. Total Amount of Federal Funds Obligated by this Action \$238,465,012

20 a. Direct Cost Amount \$238,465,012

20 b. Indirect Cost Amount \$0

21. Authorized Carryover

22. Offset

23. Total Amount of Federal Funds Obligated this budget period \$238,465,012

24. Total Approved Cost Sharing or Matching, where applicable \$0

25. Total Federal and Non-Federal Approved this Budget Period \$238,465,012

26. Project Period Start Date 03/15/2021 – End Date 03/14/2023

27. Total Amount of the Federal Award including Approved Cost \$238,465,012

Sharing or Matching this Project Period

28. Authorized Treatment of Program Income

Additional Costs

29. Grants Management Officer - Signature

30. Remarks

Acceptance of this award, including the "Terms and Conditions," is acknowledged by the recipient when funds are drawn down or otherwise requested from the grant payment system.

Notice of Award



SABG
Department of Health and Human Services
Substance Abuse and Mental Health Services Administration

Issue Date: 03/11/2021

Center for Substance Abuse Treatment

Award Number: [REDACTED]

FAIN: [REDACTED]

Contact Person: [REDACTED]

Program: Substance Abuse Prevention & Treatment Block Grant

HEALTH CARE SERVICES, CALIFORNIA DEPARTMENT OF

[REDACTED]

[REDACTED]

Award Period: 03/15/2021 – 03/14/2023

Dear Grantee:

The Substance Abuse and Mental Health Services Administration hereby awards a grant in the amount of \$238,465,012 (see “Award Calculation” in Section I) to HEALTH CARE SERVICES, CALIFORNIA DEPARTMENT OF in support of the above referenced project. This award is pursuant to the authority of Subparts II&III,B, Title XIX, PHS Act/45 CFR Part96 and is subject to the requirements of this statute and regulation and of other referenced, incorporated or attached terms and conditions.

Acceptance of this award including the “Terms and Conditions” is acknowledged by the grantee when funds are drawn down or otherwise obtained from the grant payment system.

If you have any questions about this award, please contact your Grants Management Specialist and your Government Project Officer listed in your terms and conditions.

Sincerely yours,

[REDACTED]

See additional information below

SECTION I – AWARD DATA – [REDACTED]

FEDERAL FUNDS APPROVED: \$238,465,012

AMOUNT OF THIS ACTION (FEDERAL SHARE): \$238,465,012

CUMULATIVE AWARDS TO DATE: \$238,465,012

UNAWARDED BALANCE OF CURRENT YEAR'S FUNDS: \$0

Fiscal Information:

CFDA Number: [REDACTED]

EIN: [REDACTED]

Document

Number: [REDACTED]

Fiscal Year: 2021

IC	CAN	01
[REDACTED]	[REDACTED]	\$238,465,012

PCC: SAPT / OC: 4115

SECTION II – PAYMENT/HOTLINE INFORMATION – [REDACTED]

Payments under this award will be made available through the HHS Payment Management System (PMS). PMS is a centralized grants payment and cash management system, operated by the HHS Program Support Center (PSC), Division of Payment Management (DPM). Inquiries regarding payment should be directed to: The Division of Payment Management System, [REDACTED]

The HHS Inspector General maintains a toll-free hotline for receiving information concerning fraud, waste, or abuse under grants and cooperative agreements. The telephone number is: 1-800-HHS-TIPS (1-800-447-8477). The mailing address is: Office of Inspector General, Department of Health and Human Services, Attn: HOTLINE, [REDACTED]

SECTION III – TERMS AND CONDITIONS – 1B08TI083527-01

REMARKS

Correspondence Notice

Please Note: A letter from Acting Assistant Secretary for Mental Health and

Substance Use, [REDACTED], will be sent via eRA Commons.

STANDARD TERMS AND CONDITIONS

SABG FY21 COVID emergency funding

Remarks:

This Notice of Award (NoA) provides COVID emergency relief funding for the Substance Abuse Prevention and Treatment (SABG) Block Grant Program, in accordance with the Coronavirus Response and Relief Supplement Appropriations Act, 2021 [P.L. 116-260]. The awarded funds must be used for activities consistent with the SABG program requirements.

A proposal of the state's spending plan must be submitted by April 5, 2021 via the Web Block Grant Application System (WebBGAS). Further information on this is included in the letter from Acting Assistant Secretary for Mental Health and Substance Use, Tom Coderre.

Standard Terms of Award:

1) Acceptance of the Terms of an Award

By drawing or otherwise obtaining funds from the HHS Payment Management System, the recipient acknowledges acceptance of the terms and conditions of the award and is obligated to perform in accordance with the requirements of the award. Except for any waiver granted explicitly elsewhere in this section, this award does not constitute approval for waiver of any Federal statutory/regulatory requirements for a SABG. Once a recipient accepts an award, the contents of the Notice of Award (NoA) are binding on the recipient unless and until modified by a revised NoA signed by the GMO.

Certification Statement:

By drawing down funds, The recipient agrees to abide by the statutory requirements of all sections of the Substance Abuse Prevention and Treatment Block Grant (SABG) (Public Health Service Act, Sections 1921-1935 and sections 1941-1957) (42 U.S.C. [REDACTED], as amended), and other administrative and legal requirements as applicable for the duration of the award.

2) Availability of Funds

Funds provided under this grant must be obligated and expended by March 14, 2023. However, SAMHSA will consider extensions to this period of funding upon request.

3) Administrative Requirements

This NoA issued is subject to the administrative requirements for HHS block grants under 45 CFR Part 96, as applicable, and 45 CFR Part 75, as specified. Except for section 75.202 of Subpart C, and sections 75.351 through 75.353 of Subpart D, the requirements in Subpart C, Subpart D, and Subpart E do not apply to this program

(reference 45 CFR Part 75 Subpart B, 75.101(d)).

Except for any waiver granted explicitly elsewhere in this section, this award does not constitute approval for waiver of any Federal statutory/regulatory requirements for a SABG.

4) Flow-down of requirements to sub-recipients

The grantee, as the awardee organization, is legally and financially responsible for all aspects of this award including funds provided to sub-recipients, in accordance with 45 CFR 75.351 75.353, Sub-recipient monitoring and management.

5) Executive Pay

The Consolidated Appropriations Act, 2021 (Public Law 116-260), signed into law on December 27, 2020 restricts the amount of direct salary to Executive Level II of the Federal Executive Pay scale. Effective January 3, 2021, the salary limitation for Executive Level II is \$199,300.

For awards issued prior to this change, if adequate funds are available in active awards, and if the salary cap increase is consistent with the institutional base salary, recipients may re-budget to accommodate the current Executive Level II salary level. However, no additional funds will be provided to these grant awards.

6) Marijuana Restriction:

Grant funds may not be used, directly or indirectly, to purchase, prescribe, or provide marijuana or treatment using marijuana. Treatment in this context includes the treatment of opioid use disorder. Grant funds also cannot be provided to any individual who or organization that provides or permits marijuana use for the purposes of treating substance use or mental disorders. See, e.g., 45 C.F.R. 75.300(a) (requiring HHS to ensure that Federal funding is expended . . . in full accordance with U.S. statutory . . . requirements.); 21 U.S.C. 812(c) (10) and 841 (prohibiting the possession, manufacture, sale, purchase or distribution of marijuana). This prohibition does not apply to those providing such treatment in the context of clinical research permitted by the DEA and under an FDA-approved investigational new drug application where the article being evaluated is marijuana or a constituent thereof that is otherwise a banned controlled substance under federal law.

7) SAM and DUNS Requirements

THIS AWARD IS SUBJECT TO REQUIREMENTS AS SET FORTH IN 2 CFR 25.110 CENTRAL CONTRACTOR REGISTRATION CCR) (NOW SAM) AND DATA UNIVERSAL NUMBER SYSTEM (DUNS) NUMBERS. 2 CFR Part 25 - Appendix A4

System of Award Management (SAM) and Universal Identifier Requirements

A. Requirement for System of Award Management:

Unless you are exempted from this requirement under 2 CFR 25.110, you, as the recipient, must maintain the currency of your information in the SAM, until you submit the final financial report required under this award or receive the final payment, whichever is later. This requires that you review and update the information at least annually after the initial registration, and more frequently if required by changes in your information or another award term.

B. Requirement for unique entity identifier If you are authorized (reference project description) to make subawards under this award, you:

1. Must notify potential subrecipients that no entity (see definition in paragraph C of this award term) may receive a subaward from you, unless the entity has provided its unique entity identifier to you.
2. May not make a subaward to an entity, unless the entity has provided its unique entity identifier to you.

C. Definitions. For purposes of this award term:

1. System of Award Management (SAM) means the federal repository into which an entity must provide information required for the conduct of business as a recipient. Additional information about registration procedures may be found at the SAM Internet site (currently at: <http://www.sam.gov>).
2. Unique entity identifier means the identifier required for SAM registration to uniquely identify business entities.
3. Entity, as it is used in this award term, means all of the following, as defined at 2 CFR Part 25, Subpart C:
 - a. A governmental organization, which is a state, local government, or Indian Tribe; b. A foreign public entity; c. A domestic or foreign nonprofit organization; d. A domestic or foreign for-profit organization; and e. A Federal agency, but only as a sub-recipient under an award or sub-award to a nonfederal entity.
4. Sub-award:
 - a. This term means a legal instrument to provide support for the performance of any portion of the substantive project or program for which you received this award and that you as the recipient award to an eligible sub-recipient.
 - b. The term does not include your procurement of property and services needed to carry out the project or program (for further explanation, see 2 CFR 200.330).
 - c. A sub-award may be provided through any legal agreement, including an agreement that you consider a contract.
5. Sub-recipient means an entity that:
 - a. Receives a sub-award from you under this award; and
 - b. Is accountable to you for the use of the federal funds provided by the sub-award.

8) Federal Financial Accountability and Transparency Act (FFATA)

Reporting Subawards and Executive Compensation, 2 CFR, Appendix A to Part 170

a. Reporting of first tier subawards.

1. Applicability. Unless you are exempt as provided in paragraph d. of this award term, you must report each action that obligates \$25,000 or more in Federal funds that does not include Recovery funds (as defined in section 1512(a)(2) of the American Recovery and Reinvestment Act of 2009, Pub. L. 111-5) for a subaward to an entity (see definitions in paragraph e. of this award term).
2. Where and when to report.
 - i. You must report each obligating action described in paragraph a.1. of this award term to <http://www.fsrs.gov>.
 - ii. For subaward information, report no later than the end of the month following the month in which the obligation was made. (For example, if the obligation was made on

November 7, 2010, the obligation must be reported by no later than December 31, 2010.)

3. What to report. You must report the information about each obligating action that the submission instructions posted at <http://www.fsrs.gov> specify.

b. Reporting Total Compensation of Recipient Executives.

1. Applicability and what to report. You must report total compensation for each of your five most highly compensated executives for the preceding completed fiscal year, if

- i. the total Federal funding authorized to date under this award is \$25,000 or more;
- ii. in the preceding fiscal year, you received (A) 80 percent or more of your annual gross revenues from Federal procurement contracts (and subcontracts) and Federal financial assistance subject to the Transparency Act, as defined at 2 CFR 170.320 (and subawards); and (B) \$25,000,000 or more in annual gross revenues from Federal procurement contracts (and subcontracts) and Federal financial assistance subject to the Transparency Act, as defined at 2 CFR 170.320 (and subawards); and
- iii. The public does not have access to information about the compensation of the executives through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986. (To determine if the public has access to the compensation information, see the U.S. Security and Exchange Commission total compensation filings at <http://www.sec.gov/answers/execomp.htm>.)

2. Where and when to report. You must report executive total compensation described in paragraph b. 1. of this award term:

- i. As part of your registration profile at <https://www.sam.gov>.
- ii. By the end of the month following the month in which this award is made, and annually thereafter.

c. Reporting of Total Compensation of Subrecipient Executives.

1. Applicability and what to report. Unless you are exempt as provided in paragraph d. of this award term, for each first tier subrecipient under this award, you shall report the names and total compensation of each of the subrecipient's five most highly compensated executives for the subrecipient's preceding completed fiscal year, if

- i. in the subrecipient's preceding fiscal year, the subrecipient received (A) 80 percent or more of its annual gross revenues from Federal procurement contracts (and subcontracts) and Federal financial assistance subject to the Transparency Act, as defined at 2 CFR 170.320 (and subawards); and (B) \$25,000,000 or more in annual gross revenues from Federal procurement contracts (and subcontracts), and Federal financial assistance subject to the Transparency Act (and subawards); and
- ii. The public does not have access to information about the compensation of the executives through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986. (To determine if the public has access to the compensation information, see the U.S. Security and Exchange Commission total compensation

filings at <http://www.sec.gov/answers/execomp.htm>.)

2. Where and when to report. You must report subrecipient executive total compensation described in paragraph c. 1. of this award term:

i. To the recipient.

ii. By the end of the month following the month during which you make the subaward. For example, if a subaward is obligated on any date during the month of October of a given year (i.e., between October 1 and 31), you must report any required compensation information of the subrecipient by November 30 of that year.

d. Exemptions If, in the previous tax year, you had gross income, from all sources, under \$300,000, you are exempt from the requirements to report:

i. Subawards, and

ii. The total compensation of the five most highly compensated executives of any subrecipient.

e. Definitions. For purposes of this award term:

1. Entity means all of the following, as defined in 2 CFR part 25:

i. A Governmental organization, which is a State, local government, or Indian tribe;

ii. A foreign public entity;

iii. A domestic or foreign nonprofit organization;

iv. A domestic or foreign for-profit organization;

v. A Federal agency, but only as a subrecipient under an award or subaward to a non-Federal entity.

2. Executive means officers, managing partners, or any other employees in management positions.

3. Subaward:

i. This term means a legal instrument to provide support for the performance of any portion of the substantive project or program for which you received this award and that you as the recipient award to an eligible subrecipient.

ii. The term does not include your procurement of property and services needed to carry out the project or program (for further explanation, see Sec. __. 210 of the attachment to OMB Circular A-133, Audits of States, Local Governments, and Nonprofit Organizations).

iii. A subaward may be provided through any legal agreement, including an agreement that you or a subrecipient considers a contract.

4. Subrecipient means an entity that: i. Receives a subaward from you (the recipient) under this award; and ii. Is accountable to you for the use of the Federal funds provided by the subaward.

5. Total compensation means the cash and noncash dollar value earned by the executive during the recipient's or subrecipient's preceding fiscal year and includes the following (for more information see 17 CFR 229.402(c)(2)):

- i. Salary and bonus.
- ii. Awards of stock, stock options, and stock appreciation rights. Use the dollar amount recognized for financial statement reporting purposes with respect to the fiscal year in accordance with the Statement of Financial Accounting Standards No. 123 (Revised 2004) (FAS 123R), Shared Based Payments.
- iii. Earnings for services under non-equity incentive plans. This does not include group life, health, hospitalization or medical reimbursement plans that do not discriminate in favor of executives and are available generally to all salaried employees.
- iv. Change in pension value. This is the change in present value of defined benefit and actuarial pension plans.
- v. Above-market earnings on deferred compensation which is not tax-qualified.
- vi. Other compensation, if the aggregate value of all such other compensation (e.g. severance, termination payments, value of life insurance paid on behalf of the employee, perquisites or property) for the executive exceeds \$10,000. [75 FR 55669, Sept. 14, 2010, as amended at 79 FR 75879, Dec. 19, 2014]

9) Mandatory Disclosures

Consistent with 45 CFR 75.113, applicants and recipients must disclose in a timely manner, in writing to the HHS Office of Inspector General (OIG), all information related to violations, or suspected violations, of Federal criminal law involving fraud, bribery, or gratuity violations potentially affecting the Federal award. Subrecipients must disclose, in a timely manner, in writing to the prime recipient (pass through entity) and the HHS OIG, all information related to violations, or suspected violations, of Federal criminal law involving fraud, bribery, or gratuity violations potentially affecting the Federal award. Disclosures must be sent in writing to the awarding agency and to the HHS OIG at the following addresses:

U.S. Department of Health and Human Services Office of Inspector General

ATTN: Mandatory Grant Disclosures, Intake Coordinator [REDACTED]

[REDACTED]

[REDACTED] (Include "Mandatory Grant Disclosures" in subject line) or email: MandatoryGranteeDisclosures@oig.hhs.gov

Failure to make required disclosures can result in any of the remedies described in 45 CFR 75.371 remedies for noncompliance, including suspension or debarment (see 2 CFR parts 180 & 376 and 31 U.S.C. 3321).

10) The Trafficking Victims Protection Act of 2000 (22 U.S.C. 7104(G)), as amended, and 2 C.F.R. PART 175

The Trafficking Victims Protection Act of 2000 authorizes termination of financial assistance provided to a private entity, without penalty to the Federal government, if the recipient or subrecipient engages in certain activities related to trafficking in persons. SAMHSA may unilaterally terminate this award, without penalty, if a private entity recipient, or a private entity subrecipient, or their employees: a) Engage in severe forms of trafficking in persons during the period of time that the award is in effect; b) Procure a commercial sex act during the period of time that the award is in

effect; or, c) Use forced labor in the performance of the award or subawards under the award. The text of the full award term is available at 2 C.F.R. 175.15(b). See <http://www.gpo.gov/fdsys/pkg/CFR-2012-title2-vol1/pdf/CFR-2012-title2-vol1-sec175-15.pdf>.

11) Drug-Free Workplace Requirements

The Drug-Free Workplace Act of 1988 (41 U.S.C. 701 et seq.) requires that all organizations receiving grants from any Federal agency agree to maintain a drug-free workplace. When the AR signed the application, the AR agreed that the recipient will provide a drug-free workplace and will comply with the requirement to notify SAMHSA if an employee is convicted of violating a criminal drug statute. Failure to comply with these requirements may be cause for debarment. Government wide requirements for Drug-Free Workplace for Financial Assistance are found in 2 CFR part 182; HHS implementing regulations are set forth in 2 CFR part 382.400. All recipients of SAMHSA grant funds must comply with the requirements in Subpart B (or Subpart C if the recipient is an individual) of Part 382.

12) Lobbying

No funds provided under the attached Notice of Award (NoA) may be used by you or any sub-recipient under the grant to support lobbying activities to influence proposed or pending federal or state legislation or appropriations. The prohibition relates to the use of federal grant funds and is not intended to affect your right or that of any other organization, to petition Congress or any other level of government, through the use of other nonfederal resources. Reference 45 CFR Part 93.

13) Accessibility Provisions

Grant recipients of Federal financial assistance (FFA) from HHS must administer their programs in compliance with Federal civil rights law. This means that recipients of HHS funds must ensure equal access to their programs without regard to a person's race, color, national origin, disability, age, and in some circumstances, sex and religion. This includes ensuring your programs are accessible to persons with limited English proficiency. The HHS Office for Civil Rights also provides guidance on complying with civil rights laws enforced by HHS. Please see <http://www.hhs.gov/ocr/civilrights/understanding/section1557/index.html>. Recipients of FFA also have specific legal obligations for serving qualified individuals with disabilities. Please see <http://www.hhs.gov/ocr/civilrights/understanding/disability/index.html>. Please contact the HHS Office for Civil Rights for more information about obligations and prohibitions under Federal civil rights laws at <https://www.hhs.gov/civil-rights/index.html> or call [REDACTED]. Also note that it is an HHS Departmental goal to ensure access to quality, culturally competent care, including long-term services and supports, for vulnerable populations. For further guidance on providing culturally and linguistically appropriate services, recipients should review the National Standards for Culturally and Linguistically Appropriate Services in Health and Health Care at <https://minorityhealth.hhs.gov/omh/browse.aspx?lvl=1&lvlid=6>.

14) Audits

Non-Federal recipients that expend \$750,000 or more in federal awards during the recipient's fiscal year must obtain an audit conducted for that year in accordance with the provisions of 45 CFR 96.31.

Recipients are responsible for submitting their Single Audit Reports and the Data Collections Forms (SF-FAC) electronically to the to the Federal Audit Clearinghouse Visit disclaimer page (FAC) within the earlier of 30 days after receipt or nine months after the FY s end of the audit period. The FAC operates on behalf of the OMB.

For specific questions and information concerning the submission process: Visit the Federal Audit Clearinghouse at <https://harvester.census.gov/facweb> or Call FAC at the toll-free number: [REDACTED]

Reporting Requirements:

Federal Financial Report (FFR)

The recipient is required to submit a Federal Financial Report (FFR) 90 days after the close of the performance period (project period). The SF-425 shall report total funds obligated and total funds expended by the grantee.

Effective January 1, 2021, award recipients are required to submit the SF-425 Federal Financial Report (FFR) via the Payment Management System (PMS). If the individual responsible for FFR submission does not already have an account with PMS, please [contact PMS](#) to obtain access.

Recipients must liquidate all obligations incurred under an award not later than ninety (90) days after the end of the award obligation and expenditure period (i.e., the project period) which also coincides with the due date for submission of the FINAL SF-425, *Federal Financial Report* (FFR). After ninety (90) days, letter of credit accounts are locked. SAMHSA does not approve extensions to the ninety (90) day post-award reconciliation/liquidation period. Therefore, recipients are expected to complete all work and reporting within the approved project period and the aforementioned 90-day post-award reconciliation/liquidation period. Recipients (late) withdrawal requests occurring after the aforementioned periods are denied. In rare instances, SAMHSA may approve an extension to submit a FINAL SF-425 FFR report, but this is *not* an extension of the 90-day post award reconciliation/liquidation period, but rather only an extension to submit the Final SF-425 report (FFR).

Annual Report

Reporting on the COVID emergency relief funding is required. States must prepare and submit their respective reports utilizing WebBGAS. Failure to comply with these requirements may cause the initiation of enforcement actions that can culminate in discontinuation of SABG grants.

Your assigned SABG Program Official will provide further guidance and additional submission information.

In accordance with the regulatory requirements provided at 45 CFR 75.113 and Appendix XII to 45 CFR Part 75, recipients that have currently active Federal grants, cooperative agreements, and procurement contracts with cumulative total value greater than

\$10,000,000 must report and maintain information in the System for Award Management (SAM) about civil, criminal, and administrative proceedings in connection with the award or performance of a Federal award that reached final disposition within the most recent five-year period. The recipient must also make semiannual disclosures regarding such proceedings. Proceedings information will be made publicly available in the designated integrity and performance system (currently the Federal Awardee Performance and Integrity Information System (FAPIIS)). Full reporting requirements and procedures are found in Appendix XII to 45 CFR Part 75.

Staff Contacts:

[REDACTED] Program Official
Phone: [REDACTED] **Email:** [REDACTED]@samhsa.hhs.gov

[REDACTED] Grants Specialist
Phone: [REDACTED] **Email:** [REDACTED]@samhsa.hhs.gov **Fax:** [REDACTED]

EXHIBIT D



Department of Health and Human Services
Substance Abuse and Mental Health Services Administration
Center for Substance Abuse Treatment

FAIN# [REDACTED]
Federal Award Date
05/17/2021

Recipient Information**1. Recipient Name**

HEALTH CARE SERVICES, CALIFORNIA
DEPARTMENT OF

2. Congressional District of Recipient
06**3. Payment System Identifier (ID)****4. Employer Identification Number (EIN)****5. Data Universal Numbering System (DUNS)****6. Recipient's Unique Entity Identifier****7. Project Director or Principal Investigator****8. Authorized Official****Federal Agency Information****9. Awarding Agency Contact Information**

Center for Substance Abuse Treatment
[REDACTED]@samhsa.hhs.gov

10. Program Official Contact Information

Center for Substance Abuse Treatment
[REDACTED]@samhsa.hhs.gov

Federal Award Information**11. Award Number****12. Unique Federal Award Identification Number (FAIN)****13. Statutory Authority**

Subparts II&III,B, Title XIX, PHS Act/45 CFR Part96

14. Federal Award Project Title

Substance Abuse Prevention & Treatment Block Grant

15. Assistance Listing Number

93.959

16. Assistance Listing Program Title

Block Grants for Prevention and Treatment of Substance Abuse

17. Award Action Type

New Competing

18. Is the Award R&D?

No

Summary Federal Award Financial Information**19. Budget Period Start Date 09/01/2021 – End Date 09/30/2025**

20. Total Amount of Federal Funds Obligated by this Action \$205,947,056

20 a. Direct Cost Amount \$205,947,056

20 b. Indirect Cost Amount \$0

21. Authorized Carryover**22. Offset**

23. Total Amount of Federal Funds Obligated this budget period \$205,947,056

24. Total Approved Cost Sharing or Matching, where applicable \$0

25. Total Federal and Non-Federal Approved this Budget Period \$205,947,056

26. Project Period Start Date 09/01/2021 – End Date 09/30/2025

27. Total Amount of the Federal Award including Approved Cost \$205,947,056

Sharing or Matching this Project Period

28. Authorized Treatment of Program Income

Additional Costs

29. Grants Management Officer - Signature**30. Remarks**

Acceptance of this award, including the "Terms and Conditions," is acknowledged by the recipient when funds are drawn down or otherwise requested from the grant payment system.

Notice of Award



SABG
Department of Health and Human Services
Substance Abuse and Mental Health Services Administration

Issue Date: 05/17/2021

Center for Substance Abuse Treatment

Award Number: [REDACTED]

FAIN: [REDACTED]

Contact Person: [REDACTED]

Program: Substance Abuse Prevention & Treatment Block Grant

HEALTH CARE SERVICES, CALIFORNIA DEPARTMENT OF

[REDACTED]

[REDACTED]

Award Period: 09/01/2021 – 09/30/2025

Dear Grantee:

The Substance Abuse and Mental Health Services Administration hereby awards a grant in the amount of \$205,947,056 (see “Award Calculation” in Section I) to HEALTH CARE SERVICES, CALIFORNIA DEPARTMENT OF in support of the above referenced project. This award is pursuant to the authority of Subparts II&III,B, Title XIX, PHS Act/45 CFR Part96 and is subject to the requirements of this statute and regulation and of other referenced, incorporated or attached terms and conditions.

Acceptance of this award including the “Terms and Conditions” is acknowledged by the grantee when funds are drawn down or otherwise obtained from the grant payment system.

If you have any questions about this award, please contact your Grants Management Specialist and your Government Project Officer listed in your terms and conditions.

Sincerely yours,

[REDACTED]

Division of Grants Management

See additional information below

SECTION I – AWARD DATA – 1

FEDERAL FUNDS APPROVED: \$205,947,056

AMOUNT OF THIS ACTION (FEDERAL SHARE): \$205,947,056

CUMULATIVE AWARDS TO DATE: \$205,947,056

UNAWARDED BALANCE OF CURRENT YEAR'S FUNDS: \$0

Fiscal Information:

CFDA Number:

EIN:

Document

Number:

Fiscal Year:

2021

IC	CAN	01
		\$205,947,056

PCC: / **OC:**

SECTION II – PAYMENT/HOTLINE INFORMATION –

Payments under this award will be made available through the HHS Payment Management System (PMS). PMS is a centralized grants payment and cash management system, operated by the HHS Program Support Center (PSC), Division of Payment Management (DPM). Inquiries regarding payment should be directed to: The Division of Payment Management System,

The HHS Inspector General maintains a toll-free hotline for receiving information concerning fraud, waste, or abuse under grants and cooperative agreements. The telephone number is: 1-800-HHS-TIPS (1-800-447-8477). The mailing address is: Office of Inspector General, Department of Health and Human Services, Attn: HOTLINE,

SECTION III – TERMS AND CONDITIONS –

STANDARD TERMS AND CONDITIONS

SABG FY2021 ARPA funding

Remarks:

This Notice of Award (NoA) provides American Rescue Plan Act (ARPA) Supplemental Funding for the Substance Abuse Prevention and Treatment (SABG) Block Grant Program, in accordance with H.R. 1319 - American Rescue Plan Act of 2021. Consistent with HHS Disaster Relief Flexibilities, SAMHSA may waive requirements with respect to allowable activities, timelines, or reporting requirements for the SABG as deemed necessary to facilitate a grantee's response to coronavirus.

A proposal of the state's spending plan must be submitted by July 2, 2021 via the Web Block Grant Application System (WebBGAS). Using the WebBGAS Revision Request for the FFY 2021 Block Grant Application, grantees are required to upload the Plan document (Microsoft Word or pdf), using the associated tab in the State Information Section, Chief Executive Officer's Funding Agreement – Certifications and Assurances/Letter Designating Signatory Authority [SA]. Please title this document "ARPA Funding Plan 2021-SA" (States must upload separate proposals based on MHBG and SABG guidance into the WebBGAS system).

Further information on this is included in the letter from Acting Assistant Secretary for Mental Health and Substance Use, Tom Coderre.

Standard Terms of Award:

1) Acceptance of the Terms of an Award

By drawing or otherwise obtaining funds from the HHS Payment Management System, the recipient acknowledges acceptance of the terms and conditions of the award and is obligated to perform in accordance with the requirements of the award. Except for any waiver granted explicitly elsewhere in this section, this award does not constitute approval for waiver of any Federal statutory/regulatory requirements for a SABG. Once a recipient accepts an award, the contents of the Notice of Award (NoA) are binding on the recipient unless and until modified by a revised NoA signed by the GMO.

Certification Statement:

By drawing down funds, The recipient agrees to abide by the statutory requirements of all sections of the Substance Abuse Prevention and Treatment Block Grant (SABG) (Public Health Service Act, Sections 1921-1935 and sections 1941-1957) (42 U.S.C. [REDACTED] as amended), and other administrative and legal requirements as applicable for the duration of the award.

2) Availability of Funds

Funds provided under this grant must be obligated and expended by September 30, 2025.

3) Fiscal and administrative requirements

This NoA issued is subject to the administrative requirements for HHS block grants under 45 CFR Part 96, as applicable, and 45 CFR Part 75, as specified. Except for section 75.202 of Subpart C, and sections 75.351 through 75.353 of Subpart D, the requirements in Subpart C, Subpart D, and Subpart E do not apply to this program (reference 45 CFR Part 75 Subpart B, 75.101(d)).

Fiscal control and accounting procedures - Fiscal control and accounting procedures must be sufficient to (a) permit preparation of reports required by the statute authorizing the block grant and (b) permit the tracing of funds to a level of expenditure adequate to establish that such funds have not been used in violation of the restrictions and prohibitions of the statute authorizing the block grant.

ARPA funding is being issued under a separate grant award number and has a unique subaccount in the Payment Management System. Accordingly, ARPA funds must be tracked and reported separately from other FY 2021 awarded funds, including COVID-19 Supplemental funding and the Annual Block Grant Allotment.

Audits - Grantees and subgrantees are responsible for obtaining audits in accordance with the Single Audit Act Amendments of 1996 (31 U.S.C. 7501-7507) and revised OMB Circular A-133, "Audits of State, Local Governments, and Non-Profit Organizations." The audits shall be made by an independent auditor in accordance with generally accepted Government auditing standards covering financial audits.

Except for any waiver granted explicitly elsewhere in this section, this award does not constitute approval for waiver of any Federal statutory/regulatory requirements for a SABG.

4) Flow-down of requirements to sub-recipients

The grantee, as the awardee organization, is legally and financially responsible for all aspects of this award including funds provided to sub-recipients, in accordance with 45 CFR 75.351-75.353, Sub-recipient monitoring and management.

5) Executive Pay

The Consolidated Appropriations Act, 2021 (Public Law 116-260), signed into law on December 27, 2020 restricts the amount of direct salary to Executive Level II of the Federal Executive Pay scale. Effective January 3, 2021, the salary limitation for Executive Level II is \$199,300.

For awards issued prior to this change, if adequate funds are available in active awards, and if the salary cap increase is consistent with the institutional base salary, recipients may re-budget to accommodate the current Executive Level II salary level. However, no additional funds will be provided to these grant awards.

6) Marijuana Restriction:

Grant funds may not be used, directly or indirectly, to purchase, prescribe, or provide marijuana or treatment using marijuana. Treatment in this context includes the treatment of opioid use disorder. Grant funds also cannot be provided to any individual who or organization that provides or permits marijuana use for the purposes of treating substance use or mental disorders. See, e.g., 45 C.F.R. 75.300(a) (requiring HHS to ensure that Federal funding is expended . . . in full accordance with U.S. statutory . . . requirements.); 21 U.S.C. 812(c) (10) and 841 (prohibiting the possession, manufacture, sale, purchase or distribution of marijuana). This prohibition does not apply to those providing such treatment in the context of clinical research permitted by the DEA and under an FDA-approved investigational new drug application where the article being evaluated is marijuana or a constituent thereof that is otherwise a banned controlled substance under federal law.

7) SAM and DUNS Requirements

THIS AWARD IS SUBJECT TO REQUIREMENTS AS SET FORTH IN 2 CFR 25.110 CENTRAL CONTRACTOR REGISTRATION CCR) (NOW SAM) AND DATA UNIVERSAL NUMBER SYSTEM (DUNS) NUMBERS. 2 CFR Part 25 - Appendix A4

System of Award Management (SAM) and Universal Identifier Requirements

A. Requirement for System of Award Management:

Unless you are exempted from this requirement under 2 CFR 25.110, you, as the recipient, must maintain the currency of your information in the SAM, until you submit the final financial report required under this award or receive the final payment, whichever is later. This requires that you review and update the information at least annually after the initial registration, and more frequently if required by changes in your information or another award term.

B. Requirement for unique entity identifier If you are authorized (reference project description) to make subawards under this award, you:

1. Must notify potential subrecipients that no entity (see definition in paragraph C of this award term) may receive a subaward from you, unless the entity has provided its unique entity identifier to you.
2. May not make a subaward to an entity, unless the entity has provided its unique entity identifier to you.

C. Definitions. For purposes of this award term:

1. System of Award Management (SAM) means the federal repository into which an entity must provide information required for the conduct of business as a recipient. Additional information about registration procedures may be found at the SAM Internet site (currently at: <http://www.sam.gov>).
2. Unique entity identifier means the identifier required for SAM registration to uniquely identify business entities.
3. Entity, as it is used in this award term, means all of the following, as defined at 2 CFR Part 25, Subpart C:
 - a. A governmental organization, which is a state, local government, or Indian Tribe; b. A foreign public entity; c. A domestic or foreign nonprofit organization; d. A domestic or foreign for-profit organization; and e. A Federal agency, but only as a sub-recipient under an award or sub-award to a nonfederal entity.
4. Sub-award:
 - a. This term means a legal instrument to provide support for the performance of any portion of the substantive project or program for which you received this award and that you as the recipient award to an eligible sub-recipient. b. The term does not include your procurement of property and services needed to carry out the project or program (for further explanation, see 2 CFR 200.330). c. A sub-award may be provided through any legal agreement, including an agreement that you consider a contract.
5. Sub-recipient means an entity that: a. Receives a sub-award from you under this award; and b. Is accountable to you for the use of the federal funds provided by the sub-award.

8) Federal Financial Accountability and Transparency Act (FFATA)

Reporting Subawards and Executive Compensation, 2 CFR, Appendix A to Part 170

a. Reporting of first tier subawards.

1. Applicability. Unless you are exempt as provided in paragraph d. of this award term, you must report each action that obligates \$25,000 or more in Federal funds that does not include Recovery funds (as defined in section 1512(a)(2) of the American Recovery and Reinvestment Act of 2009, Pub. L. 111-5) for a subaward to an entity (see definitions in paragraph e. of this award term).

2. Where and when to report.

i. You must report each obligating action described in paragraph a.1. of this award term to <http://www.fsrs.gov>.

ii. For subaward information, report no later than the end of the month following the month in which the obligation was made. (For example, if the obligation was made on November 7, 2010, the obligation must be reported by no later than December 31, 2010.)

3. What to report. You must report the information about each obligating action that the submission instructions posted at <http://www.fsrs.gov> specify.

b. Reporting Total Compensation of Recipient Executives.

1. Applicability and what to report. You must report total compensation for each of your five most highly compensated executives for the preceding completed fiscal year, if

i. the total Federal funding authorized to date under this award is \$25,000 or more;

ii. in the preceding fiscal year, you received (A) 80 percent or more of your annual gross revenues from Federal procurement contracts (and subcontracts) and Federal financial assistance subject to the Transparency Act, as defined at 2 CFR 170.320 (and subawards); and (B) \$25,000,000 or more in annual gross revenues from Federal procurement contracts (and subcontracts) and Federal financial assistance subject to the Transparency Act, as defined at 2 CFR 170.320 (and subawards); and

iii. The public does not have access to information about the compensation of the executives through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986. (To determine if the public has access to the compensation information, see the U.S. Security and Exchange Commission total compensation filings at <http://www.sec.gov/answers/execomp.htm>.)

2. Where and when to report. You must report executive total compensation described in paragraph b. 1. of this award term:

i. As part of your registration profile at <https://www.sam.gov>.

ii. By the end of the month following the month in which this award is made, and annually thereafter.

c. Reporting of Total Compensation of Subrecipient Executives.

1. Applicability and what to report. Unless you are exempt as provided in paragraph d. of this award term, for each first tier subrecipient under this award, you shall report the names and total compensation of each of the subrecipient's five most highly

compensated executives for the subrecipient's preceding completed fiscal year, if

i. in the subrecipient's preceding fiscal year, the subrecipient received (A) 80 percent or more of its annual gross revenues from Federal procurement contracts (and subcontracts) and Federal financial assistance subject to the Transparency Act, as defined at 2 CFR 170.320 (and subawards); and (B) \$25,000,000 or more in annual gross revenues from Federal procurement contracts (and subcontracts), and Federal financial assistance subject to the Transparency Act (and subawards); and

ii. The public does not have access to information about the compensation of the executives through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986. (To determine if the public has access to the compensation information, see the U.S. Security and Exchange Commission total compensation filings at <http://www.sec.gov/answers/execomp.htm>.)

2. Where and when to report. You must report subrecipient executive total compensation described in paragraph c. 1. of this award term:

i. To the recipient.

ii. By the end of the month following the month during which you make the subaward. For example, if a subaward is obligated on any date during the month of October of a given year (i.e., between October 1 and 31), you must report any required compensation information of the subrecipient by November 30 of that year.

d. Exemptions If, in the previous tax year, you had gross income, from all sources, under \$300,000, you are exempt from the requirements to report:

i. Subawards, and

ii. The total compensation of the five most highly compensated executives of any subrecipient.

e. Definitions. For purposes of this award term:

1. Entity means all of the following, as defined in 2 CFR part 25:

i. A Governmental organization, which is a State, local government, or Indian tribe;

ii. A foreign public entity;

iii. A domestic or foreign nonprofit organization;

iv. A domestic or foreign for-profit organization;

v. A Federal agency, but only as a subrecipient under an award or subaward to a non-Federal entity.

2. Executive means officers, managing partners, or any other employees in management positions.

3. Subaward:

i. This term means a legal instrument to provide support for the performance of any portion of the substantive project or program for which you received this award and that you as the recipient award to an eligible subrecipient.

ii. The term does not include your procurement of property and services needed to carry out the project or program (for further explanation, see Sec. __. 210 of the attachment to OMB Circular A-133, Audits of States, Local Governments, and Nonprofit Organizations).

iii. A subaward may be provided through any legal agreement, including an agreement that you or a subrecipient considers a contract.

4. Subrecipient means an entity that: i. Receives a subaward from you (the recipient) under this award; and ii. Is accountable to you for the use of the Federal funds provided by the subaward.

5. Total compensation means the cash and noncash dollar value earned by the executive during the recipient's or subrecipient's preceding fiscal year and includes the following (for more information see 17 CFR 229.402(c)(2)):

i. Salary and bonus.

ii. Awards of stock, stock options, and stock appreciation rights. Use the dollar amount recognized for financial statement reporting purposes with respect to the fiscal year in accordance with the Statement of Financial Accounting Standards No. 123 (Revised 2004) (FAS 123R), Shared Based Payments.

iii. Earnings for services under non-equity incentive plans. This does not include group life, health, hospitalization or medical reimbursement plans that do not discriminate in favor of executives and are available generally to all salaried employees.

iv. Change in pension value. This is the change in present value of defined benefit and actuarial pension plans.

v. Above-market earnings on deferred compensation which is not tax-qualified. vi. Other compensation, if the aggregate value of all such other compensation (e.g. severance, termination payments, value of life insurance paid on behalf of the employee, perquisites or property) for the executive exceeds \$10,000. [75 FR 55669, Sept. 14, 2010, as amended at 79 FR 75879, Dec. 19, 2014]

9) Mandatory Disclosures

Consistent with 45 CFR 75.113, applicants and recipients must disclose in a timely manner, in writing to the HHS Office of Inspector General (OIG), all information related to violations, or suspected violations, of Federal criminal law involving fraud, bribery, or gratuity violations potentially affecting the Federal award. Subrecipients must disclose, in a timely manner, in writing to the prime recipient (pass through entity) and the HHS OIG, all information related to violations, or suspected violations, of Federal criminal law involving fraud, bribery, or gratuity violations potentially affecting the Federal award. Disclosures must be sent in writing to the awarding agency and to the HHS OIG at the following addresses:

U.S. Department of Health and Human Services Office of Inspector General

ATTN: Mandatory Grant Disclosures, Intake Coordinator [REDACTED]

[REDACTED]

[REDACTED] (Include "Mandatory Grant Disclosures" in subject line) or email:

MandatoryGranteeDisclosures@oig.hhs.gov

Failure to make required disclosures can result in any of the remedies described in 45 CFR 75.371 remedies for noncompliance, including suspension or debarment (see 2 CFR parts 180 & 376 and 31 U.S.C. 3321).

10) The Trafficking Victims Protection Act of 2000 (22 U.S.C. 7104(G)), as amended, and 2 C.F.R. PART 175

The Trafficking Victims Protection Act of 2000 authorizes termination of financial assistance provided to a private entity, without penalty to the Federal government, if the recipient or subrecipient engages in certain activities related to trafficking in persons. SAMHSA may unilaterally terminate this award, without penalty, if a private entity recipient, or a private entity subrecipient, or their employees: a) Engage in severe forms of trafficking in persons during the period of time that the award is in effect; b) Procure a commercial sex act during the period of time that the award is in effect; or, c) Use forced labor in the performance of the award or subawards under the award. The text of the full award term is available at 2 C.F.R. 175.15(b). See <http://www.gpo.gov/fdsys/pkg/CFR-2012-title2-vol1/pdf/CFR-2012-title2-vol1-sec175-15.pdf>.

11) Drug-Free Workplace Requirements

The Drug-Free Workplace Act of 1988 (41 U.S.C. 701 et seq.) requires that all organizations receiving grants from any Federal agency agree to maintain a drug-free workplace. When the AR signed the application, the AR agreed that the recipient will provide a drug-free workplace and will comply with the requirement to notify SAMHSA if an employee is convicted of violating a criminal drug statute. Failure to comply with these requirements may be cause for debarment. Government wide requirements for Drug-Free Workplace for Financial Assistance are found in 2 CFR part 182; HHS implementing regulations are set forth in 2 CFR part 382.400. All recipients of SAMHSA grant funds must comply with the requirements in Subpart B (or Subpart C if the recipient is an individual) of Part 382.

12) Lobbying

No funds provided under the attached Notice of Award (NoA) may be used by you or any sub-recipient under the grant to support lobbying activities to influence proposed or pending federal or state legislation or appropriations. The prohibition relates to the use of federal grant funds and is not intended to affect your right or that of any other organization, to petition Congress or any other level of government, through the use of other nonfederal resources. Reference 45 CFR Part 93.

13) Accessibility Provisions

Grant recipients of Federal financial assistance (FFA) from HHS must administer their programs in compliance with Federal civil rights law. This means that recipients of HHS funds must ensure equal access to their programs without regard to a person's race, color, national origin, disability, age, and in some circumstances, sex and religion. This includes ensuring your programs are accessible to persons with limited English proficiency. The HHS Office for Civil Rights also provides guidance on complying with civil rights laws enforced by HHS. Please see

<http://www.hhs.gov/ocr/civilrights/understanding/section1557/index.html>. Recipients of FFA also have specific legal obligations for serving qualified individuals with disabilities. Please see <http://www.hhs.gov/ocr/civilrights/understanding/disability/index.html>. Please contact the HHS Office for Civil Rights for more information about obligations and prohibitions under Federal civil rights laws at <https://www.hhs.gov/civil-rights/index.html> or call 1-800-368-1019 or TDD 1-800-537-7697. Also note that it is an HHS Departmental goal to ensure access to quality, culturally competent care, including long-term services and supports, for vulnerable populations. For further guidance on providing culturally and linguistically appropriate services, recipients should review the National Standards for Culturally and Linguistically Appropriate Services in Health and Health Care at <https://minorityhealth.hhs.gov/omh/browse.aspx?lvl=1&lvlid=6>.

14) Audits

Non-Federal recipients that expend \$750,000 or more in federal awards during the recipient's fiscal year must obtain an audit conducted for that year in accordance with the provisions of 45 CFR 96.31.

Recipients are responsible for submitting their Single Audit Reports and the Data Collections Forms (SF-FAC) electronically to the to the Federal Audit Clearinghouse Visit disclaimer page (FAC) within the earlier of 30 days after receipt or nine months after the FY s end of the audit period. The FAC operates on behalf of the OMB.

For specific questions and information concerning the submission process: Visit the Federal Audit Clearinghouse at <https://harvester.census.gov/facweb> or Call FAC at the toll-free number: (800) 253-0696

Reporting Requirements:

Federal Financial Report (FFR)

The recipient is required to submit a Federal Financial Report (FFR) 90 days after the close of the performance period (project period). The SF-425 shall report total funds obligated and total funds expended by the grantee.

Effective January 1, 2021, award recipients are required to submit the SF-425 Federal Financial Report (FFR) via the Payment Management System (PMS). If the individual responsible for FFR submission does not already have an account with PMS, please [contact PMS](#) to obtain access.

Recipients must liquidate all obligations incurred under an award not later than ninety (90) days after the end of the award obligation and expenditure period (i.e., the project period) which also coincides with the due date for submission of the FINAL SF-425, *Federal Financial Report* (FFR). After ninety (90) days, letter of credit accounts are locked. SAMHSA does not approve extensions to the ninety (90) day post-award reconciliation/liquidation period. Therefore, recipients are expected to complete all work and reporting within the approved project period and the aforementioned 90-day post-award reconciliation/liquidation period. Recipients (late) withdrawal requests occurring after the aforementioned periods are denied. In rare instances, SAMHSA

may approve an extension to submit a FINAL SF-425 FFR report, but this is *not* an extension of the 90-day post award reconciliation/liquidation period, but rather only an extension to submit the Final SF-425 report (FFR).

Annual Report

Reporting on the ARPA funding is required. States must prepare and submit their respective reports utilizing WebBGAS. Failure to comply with these requirements may cause the initiation of enforcement actions that can culminate in discontinuation of SABG grants.

Your assigned SABG Program Official will provide further guidance and additional submission information.

In accordance with the regulatory requirements provided at 45 CFR 75.113 and Appendix XII to 45 CFR Part 75, recipients that have currently active Federal grants, cooperative agreements, and procurement contracts with cumulative total value greater than \$10,000,000 must report and maintain information in the System for Award Management (SAM) about civil, criminal, and administrative proceedings in connection with the award or performance of a Federal award that reached final disposition within the most recent five-year period. The recipient must also make semiannual disclosures regarding such proceedings. Proceedings information will be made publicly available in the designated integrity and performance system (currently the Federal Awardee Performance and Integrity Information System (FAPIIS)). Full reporting requirements and procedures are found in Appendix XII to 45 CFR Part 75.

Staff Contacts:

[REDACTED] Program Official

Phone: [REDACTED] Email: [REDACTED]@samhsa.hhs.gov Fax: [REDACTED]

[REDACTED] Grants Specialist

Phone: [REDACTED] Email: [REDACTED]@samhsa.hhs.gov Fax: [REDACTED]

EXHIBIT E

**Recipient Information****1. Recipient Name**HEALTH CARE SERVICES, CALIFORNIA
DEPARTMENT OF**2. Congressional District of Recipient**

06

3. Payment System Identifier (ID)**4. Employer Identification Number (EIN)****5. Data Universal Numbering System (DUNS)****6. Recipient's Unique Entity Identifier****7. Project Director or Principal Investigator**

@dhcs.ca.gov

8. Authorized Official

@dhcs.ca.gov

Federal Agency Information**9. Awarding Agency Contact Information**

@samhsa.hhs.gov

10. Program Official Contact Information

@samhsa.hhs.gov

Federal Award Information**11. Award Number****12. Unique Federal Award Identification Number (FAIN)****13. Statutory Authority**

Subparts I&III,B,Title XIX,PHS Act/45 CFR Part96

14. Federal Award Project Title

Block Grants for Community Mental Health Services

15. Assistance Listing Number

93.958

16. Assistance Listing Program Title

Block Grants for Community Mental Health Services

17. Award Action Type

New Competing

18. Is the Award R&D?

No

Summary Federal Award Financial Information**19. Budget Period Start Date 09/01/2021 – End Date 09/30/2025****20. Total Amount of Federal Funds Obligated by this Action** \$186,972,433

20 a. Direct Cost Amount \$186,972,433

20 b. Indirect Cost Amount \$0

21. Authorized Carryover**22. Offset****23. Total Amount of Federal Funds Obligated this budget period** \$186,972,433**24. Total Approved Cost Sharing or Matching, where applicable** \$0**25. Total Federal and Non-Federal Approved this Budget Period** \$186,972,433**26. Project Period Start Date 09/01/2021 – End Date 09/30/2025****27. Total Amount of the Federal Award including Approved Cost** \$186,972,433

Sharing or Matching this Project Period

28. Authorized Treatment of Program Income

Additional Costs

29. Grants Management Officer - Signature**30. Remarks**

Acceptance of this award, including the "Terms and Conditions," is acknowledged by the recipient when funds are drawn down or otherwise requested from the grant payment system.

Notice of Award



MHBG
Department of Health and Human Services
Substance Abuse and Mental Health Services Administration

Issue Date: 05/17/2021

Center for Mental Health Services

Award Number: [REDACTED]

FAIN: [REDACTED]

Contact Person: [REDACTED]

Program: Block Grants for Community Mental Health Services

HEALTH CARE SERVICES, CALIFORNIA DEPARTMENT OF

[REDACTED]

[REDACTED]

Award Period: 09/01/2021 – 09/30/2025

Dear Grantee:

The Substance Abuse and Mental Health Services Administration hereby awards a grant in the amount of \$186,972,433 (see “Award Calculation” in Section I) to HEALTH CARE SERVICES, CALIFORNIA DEPARTMENT OF in support of the above referenced project. This award is pursuant to the authority of Subparts I&III,B, Title XIX, PHS Act/45 CFR Part96 and is subject to the requirements of this statute and regulation and of other referenced, incorporated or attached terms and conditions.

Acceptance of this award including the “Terms and Conditions” is acknowledged by the grantee when funds are drawn down or otherwise obtained from the grant payment system.

If you have any questions about this award, please contact your Grants Management Specialist and your Government Project Officer listed in your terms and conditions.

Sincerely yours,

[REDACTED]

See additional information below

SECTION I – AWARD DATA –

FEDERAL FUNDS APPROVED: \$186,972,433

AMOUNT OF THIS ACTION (FEDERAL SHARE): \$186,972,433

CUMULATIVE AWARDS TO DATE: \$186,972,433

UNAWARDED BALANCE OF CURRENT YEAR'S FUNDS: \$0

Fiscal Information:

CFDA Number:

EIN:

Document

Number:

Fiscal Year:

2021

IC	CAN	01
		\$186,972,433

PCC: CMHS / OC: 4115

SECTION II – PAYMENT/HOTLINE INFORMATION –

Payments under this award will be made available through the HHS Payment Management System (PMS). PMS is a centralized grants payment and cash management system, operated by the HHS Program Support Center (PSC), Division of Payment Management (DPM). Inquiries regarding payment should be directed to: The Division of Payment Management System,

The HHS Inspector General maintains a toll-free hotline for receiving information concerning fraud, waste, or abuse under grants and cooperative agreements. The telephone number is: 1-800-HHS-TIPS (1-800-447-8477). The mailing address is: Office of Inspector General, Department of Health and Human Services, Attn: HOTLINE,

SECTION III – TERMS AND CONDITIONS – 1B09SM085337-01

STANDARD TERMS AND CONDITIONS

MHBG FY2021 ARPA funding

Remarks:

This Notice of Award (NoA) provides American Rescue Plan Act of 2021 (ARPA) funding for the Community Mental Health Services (MHBG) Block Grant Program, in accordance with H.R. 1319 – American Rescue Plan Act of 2021 the ARPA Act, 2021 [P.L. 117-2]. Consistent with HHS Disaster Relief Flexibilities, SAMHSA may waive requirements with respect to allowable activities, timelines, or reporting requirements for the MHBG, as deemed necessary to facilitate a grantee's response to coronavirus.

A proposal of the state's spending plan must be submitted by July 2, 2021 via the Web Block Grant Application System (WebBGAS).

Using the WebBGAS Revision Request for the FFY 2021 Block Grant Application, grantees are required to upload the Plan document (Microsoft Word or pdf), using the associated tab in the State Information Section, Chief Executive Officer's Funding Agreement – Certifications and Assurances/Letter Designating Signatory Authority [MH]. Please title this document "ARPA Funding Plan 2021-MH". States must upload separate proposals based on MHBG and SABG guidance into the WebBGAS system.

Further information on this is included in the letter from Acting Assistant Secretary for Mental Health and Substance Use, Tom Coderre

Standard Terms of Award:

1) Acceptance of the Terms of an Award

By drawing or otherwise obtaining funds from the HHS Payment Management System, the recipient acknowledges acceptance of the terms and conditions of the award and is obligated to perform in accordance with the requirements of the award. Except for any waiver granted explicitly elsewhere in this section, this award does not constitute approval for waiver of any Federal statutory/regulatory requirements for a MHBG. Once an award is accepted by a recipient, the contents of the Notice of Award (NoA) are binding on the recipient unless and until modified by a revised NoA signed by the GMO.

Certification Statement: By drawing down funds, The recipient agrees to abide by the statutory requirements of all sections of the Mental Health Block Grant (MHBG) (Public Health Service Act, Sections 1911-1920 and sections 1941-1957) (42 U.S.C. 300x-1-300x-9 and 300x-51-300x-67, as amended), and other administrative and legal requirements as applicable for the duration of the award.

2) Official Form Designee

The States Chief Executive Officer, or authorized designee is considered the official form designee for this grant. The SAMHSA GMS and the MHBG Program Officer must be notified immediately before any changes in this key position are made. Please note that individuals that are suspended or debarred are prohibited from serving on Federal grant awards.

3) Availability of Funds

Funds provided under this grant must be obligated and expended by September 30, 2025.

4) Fiscal and administrative requirements

This award is subject to the administrative requirements for HHS block grants under 45 CFR Part 96, Subpart C, and 45 CFR Part 75, as specified. Except for section 75.202 of Subpart C, and sections 75.351 through 75.353 of Subpart D, the requirements in Subpart C, Subpart D, and Subpart E do not apply to this program (reference 45 CFR Part 75 Subpart B, 75.101(d)).

Fiscal control and accounting procedures - Fiscal control and accounting procedures must be sufficient to (a) permit preparation of reports required by the statute authorizing the block grant and (b) permit the tracing of funds to a level of expenditure adequate to establish that such funds have not been used in violation of the restrictions and prohibitions of the statute authorizing the block grant.

ARPA funding is being issued under a separate grant award number and has a unique subaccount in the Payment Management System. Accordingly, ARPA funds must be tracked and reported separately from other FY 2021 awarded funds, including COVID-19 Supplemental funding and the Annual Block Grant Allotment.

Audits - Grantees and subgrantees are responsible for obtaining audits in accordance with the Single Audit Act Amendments of 1996 (31 U.S.C. 7501-7507) and revised OMB Circular A-133, "Audits of State, Local Governments, and Non-Profit Organizations." The audits shall be made by an independent auditor in accordance with generally accepted Government auditing standards covering financial audits.

5) Flow-down of requirements to sub-recipients

The grantee, as the awardee organization, is legally and financially responsible for all aspects of this award including funds provided to sub-recipients, in accordance with 45 CFR 75.351-75.353, Sub-recipient monitoring and management.

6) Early Serious Mental Illness Set-Aside

The 21st Century Cures Act, P.L. 114-255 amended Section 1920(c) of the Public Health Service Act (42 U.S.C. 300x 9(c)). States must set-aside not less than 10 percent of their total MHBG allocation amount for each fiscal year to support evidence-based programs that address the needs of individuals with early serious mental illness, including psychotic disorders, regardless of the age of the individual at onset. In lieu of expending 10 percent of the amount, the State receives for a fiscal year, states have the flexibility to expend not less than 20 percent of such amount by the end of the succeeding fiscal year.

7) Executive Pay

The Consolidated Appropriations Act, 2021 (Public Law 116-260), signed into law on December 27, 2020 restricts the amount of direct salary to Executive Level II of the Federal Executive Pay scale. Effective January 3, 2021, the salary limitation for Executive Level II is \$199,300.

For awards issued prior to this change, if adequate funds are available in active awards, and if the salary cap increase is consistent with the institutional base salary, recipients may re-budget to accommodate the current Executive Level II salary level. However, no additional funds will be provided to these grant awards.

8) Marijuana Restriction:

Grant funds may not be used, directly or indirectly, to purchase, prescribe, or provide marijuana or treatment using marijuana. Treatment in this context includes the treatment of opioid use disorder. Grant funds also cannot be provided to any individual who or organization that provides or permits marijuana use for the purposes of treating substance use or mental disorders. See, e.g., 45 C.F.R. 75.300(a) (requiring HHS to ensure that Federal funding is expended . . . in full accordance with U.S. statutory . . . requirements.); 21 U.S.C. 812(c) (10) and 841 (prohibiting the possession, manufacture, sale, purchase or distribution of marijuana). This prohibition does not apply to those providing such treatment in the context of clinical research permitted by the DEA and under an FDA-approved investigational new drug application where the article being evaluated is marijuana or a constituent thereof that is otherwise a banned controlled substance under federal law.

9) SAM and DUNS Requirements

THIS AWARD IS SUBJECT TO REQUIREMENTS AS SET FORTH IN 2 CFR 25.110 CENTRAL CONTRACTOR REGISTRATION CCR) (NOW SAM) AND DATA UNIVERSAL NUMBER SYSTEM (DUNS) NUMBERS. 2 CFR Part 25 - Appendix A4

System of Award Management (SAM) and Universal Identifier Requirements

A. Requirement for System of Award Management:

Unless you are exempted from this requirement under 2 CFR 25.110, you, as the recipient, must maintain the currency of your information in the SAM, until you submit the final financial report required under this award or receive the final payment, whichever is later. This requires that you review and update the information at least annually after the initial registration, and more frequently if required by changes in your information or another award term.

B. Requirement for unique entity identifier If you are authorized (reference project description) to make subawards under this award, you:

1. Must notify potential subrecipients that no entity (see definition in paragraph C of this award term) may receive a subaward from you, unless the entity has provided its unique entity identifier to you.
2. May not make a subaward to an entity, unless the entity has provided its unique entity identifier to you.

C. Definitions. For purposes of this award term:

1. System of Award Management (SAM) means the federal repository into which an entity must provide information required for the conduct of business as a recipient. Additional information about registration procedures may be found at the SAM Internet site (currently at: <http://www.sam.gov>).
2. Unique entity identifier means the identifier required for SAM registration to uniquely identify business entities.
3. Entity, as it is used in this award term, means all of the following, as defined at 2 CFR Part 25, Subpart C:
 - a. A governmental organization, which is a state, local government, or Indian Tribe; b. A foreign public entity; c. A domestic or foreign nonprofit organization; d. A domestic or foreign for-profit organization; and e. A Federal agency, but only as a sub-recipient under an award or sub-award to a nonfederal entity.
4. Sub-award:

a. This term means a legal instrument to provide support for the performance of any portion of the substantive project or program for which you received this award and that you as the recipient award to an eligible sub-recipient. b. The term does not include your procurement of property and services needed to carry out the project or program (for further explanation, see 2 CFR 200.330). c. A sub-award may be provided through any legal agreement, including an agreement that you consider a contract.

5. Sub-recipient means an entity that: a. Receives a sub-award from you under this award; and b. Is accountable to you for the use of the federal funds provided by the sub-award.

10) Federal Financial Accountability and Transparency Act (FFATA)

Reporting Subawards and Executive Compensation, 2 CFR, Appendix A to Part 170

a. Reporting of first tier subawards.

1. Applicability. Unless you are exempt as provided in paragraph d. of this award term, you must report each action that obligates \$25,000 or more in Federal funds that does not include Recovery funds (as defined in section 1512(a)(2) of the American Recovery and Reinvestment Act of 2009, Pub. L. 111-5) for a subaward to an entity (see definitions in paragraph e. of this award term).

2. Where and when to report.

i. You must report each obligating action described in paragraph a.1. of this award term to <http://www.fsrs.gov>.

ii. For subaward information, report no later than the end of the month following the month in which the obligation was made. (For example, if the obligation was made on November 7, 2010, the obligation must be reported by no later than December 31, 2010.)

3. What to report. You must report the information about each obligating action that the submission instructions posted at <http://www.fsrs.gov> specify.

b. Reporting Total Compensation of Recipient Executives.

1. Applicability and what to report. You must report total compensation for each of your five most highly compensated executives for the preceding completed fiscal year, if

i. the total Federal funding authorized to date under this award is \$25,000 or more;

ii. in the preceding fiscal year, you received (A) 80 percent or more of your annual gross revenues from Federal procurement contracts (and subcontracts) and Federal financial assistance subject to the Transparency Act, as defined at 2 CFR 170.320 (and subawards); and (B) \$25,000,000 or more in annual gross revenues from Federal procurement contracts (and subcontracts) and Federal financial assistance subject to the Transparency Act, as defined at 2 CFR 170.320 (and subawards); and

iii. The public does not have access to information about the compensation of the executives through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986. (To determine if the public has access to the compensation

information, see the U.S. Security and Exchange Commission total compensation filings at <http://www.sec.gov/answers/execomp.htm>.)

2. Where and when to report. You must report executive total compensation described in paragraph b. 1. of this award term:

i. As part of your registration profile at <https://www.sam.gov>.

ii. By the end of the month following the month in which this award is made, and annually thereafter.

c. Reporting of Total Compensation of Subrecipient Executives.

1. Applicability and what to report. Unless you are exempt as provided in paragraph d. of this award term, for each first tier subrecipient under this award, you shall report the names and total compensation of each of the subrecipient's five most highly compensated executives for the subrecipient's preceding completed fiscal year, if

i. in the subrecipient's preceding fiscal year, the subrecipient received (A) 80 percent or more of its annual gross revenues from Federal procurement contracts (and subcontracts) and Federal financial assistance subject to the Transparency Act, as defined at 2 CFR 170.320 (and subawards); and (B) \$25,000,000 or more in annual gross revenues from Federal procurement contracts (and subcontracts), and Federal financial assistance subject to the Transparency Act (and subawards); and

ii. The public does not have access to information about the compensation of the executives through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986. (To determine if the public has access to the compensation information, see the U.S. Security and Exchange Commission total compensation filings at <http://www.sec.gov/answers/execomp.htm>.)

2. Where and when to report. You must report subrecipient executive total compensation described in paragraph c. 1. of this award term:

i. To the recipient.

ii. By the end of the month following the month during which you make the subaward. For example, if a subaward is obligated on any date during the month of October of a given year (i.e., between October 1 and 31), you must report any required compensation information of the subrecipient by November 30 of that year.

d. Exemptions If, in the previous tax year, you had gross income, from all sources, under \$300,000, you are exempt from the requirements to report:

i. Subawards, and

ii. The total compensation of the five most highly compensated executives of any subrecipient.

e. Definitions. For purposes of this award term:

1. Entity means all of the following, as defined in 2 CFR part 25:

i. A Governmental organization, which is a State, local government, or Indian tribe;

ii. A foreign public entity;

- iii. A domestic or foreign nonprofit organization;
 - iv. A domestic or foreign for-profit organization;
 - v. A Federal agency, but only as a subrecipient under an award or subaward to a non-Federal entity.
2. Executive means officers, managing partners, or any other employees in management positions.
3. Subaward:
- i. This term means a legal instrument to provide support for the performance of any portion of the substantive project or program for which you received this award and that you as the recipient award to an eligible subrecipient.
 - ii. The term does not include your procurement of property and services needed to carry out the project or program (for further explanation, see Sec. __. 210 of the attachment to OMB Circular A-133, Audits of States, Local Governments, and Nonprofit Organizations).
 - iii. A subaward may be provided through any legal agreement, including an agreement that you or a subrecipient considers a contract.
4. Subrecipient means an entity that: i. Receives a subaward from you (the recipient) under this award; and ii. Is accountable to you for the use of the Federal funds provided by the subaward.
5. Total compensation means the cash and noncash dollar value earned by the executive during the recipient's or subrecipient's preceding fiscal year and includes the following (for more information see 17 CFR 229.402(c)(2)):
- i. Salary and bonus.
 - ii. Awards of stock, stock options, and stock appreciation rights. Use the dollar amount recognized for financial statement reporting purposes with respect to the fiscal year in accordance with the Statement of Financial Accounting Standards No. 123 (Revised 2004) (FAS 123R), Shared Based Payments.
 - iii. Earnings for services under non-equity incentive plans. This does not include group life, health, hospitalization or medical reimbursement plans that do not discriminate in favor of executives and are available generally to all salaried employees.
 - iv. Change in pension value. This is the change in present value of defined benefit and actuarial pension plans.
 - v. Above-market earnings on deferred compensation which is not tax-qualified.
 - vi. Other compensation, if the aggregate value of all such other compensation (e.g. severance, termination payments, value of life insurance paid on behalf of the employee, perquisites or property) for the executive exceeds \$10,000. [75 FR 55669, Sept. 14, 2010, as amended at 79 FR 75879, Dec. 19, 2014]

11) Mandatory Disclosures

Consistent with 45 CFR 75.113, applicants and recipients must disclose in a timely manner, in writing to the HHS Office of Inspector General (OIG), all information

related to violations, or suspected violations, of Federal criminal law involving fraud, bribery, or gratuity violations potentially affecting the Federal award. Subrecipients must disclose, in a timely manner, in writing to the prime recipient (pass through entity) and the HHS OIG, all information related to violations, or suspected violations, of Federal criminal law involving fraud, bribery, or gratuity violations potentially affecting the Federal award. Disclosures must be sent in writing to the awarding agency and to the HHS OIG at the following addresses:

U.S. Department of Health and Human Services Office of Inspector General

ATTN: Mandatory Grant Disclosures, Intake Coordinator [REDACTED]

[REDACTED]

[REDACTED] (Include "Mandatory Grant Disclosures" in subject line) or email:

MandatoryGranteeDisclosures@oig.hhs.gov

Failure to make required disclosures can result in any of the remedies described in 45 CFR 75.371 remedies for noncompliance, including suspension or debarment (see 2 CFR parts 180 & 376 and 31 U.S.C. 3321).

12) The Trafficking Victims Protection Act of 2000 (22 U.S.C. 7104(G)), as amended, and 2 C.F.R. PART 175

The Trafficking Victims Protection Act of 2000 authorizes termination of financial assistance provided to a private entity, without penalty to the Federal government, if the recipient or subrecipient engages in certain activities related to trafficking in persons. SAMHSA may unilaterally terminate this award, without penalty, if a private entity recipient, or a private entity subrecipient, or their employees: a) Engage in severe forms of trafficking in persons during the period of time that the award is in effect; b) Procure a commercial sex act during the period of time that the award is in effect; or, c) Use forced labor in the performance of the award or subawards under the award. The text of the full award term is available at 2 C.F.R. 175.15(b). See <http://www.gpo.gov/fdsys/pkg/CFR-2012-title2-vol1/pdf/CFR-2012-title2-vol1-sec175-15.pdf>.

13) Drug-Free Workplace Requirements

The Drug-Free Workplace Act of 1988 (41 U.S.C. 701 et seq.) requires that all organizations receiving grants from any Federal agency agree to maintain a drug-free workplace. When the AR signed the application, the AR agreed that the recipient will provide a drug-free workplace and will comply with the requirement to notify SAMHSA if an employee is convicted of violating a criminal drug statute. Failure to comply with these requirements may be cause for debarment. Government wide requirements for Drug-Free Workplace for Financial Assistance are found in 2 CFR part 182; HHS implementing regulations are set forth in 2 CFR part 382.400. All recipients of SAMHSA grant funds must comply with the requirements in Subpart B (or Subpart C if the recipient is an individual) of Part 382.

14) Lobbying

No funds provided under the attached Notice of Award (NoA) may be used by you or any sub-recipient under the grant to support lobbying activities to influence proposed or pending federal or state legislation or appropriations. The prohibition relates to the

use of federal grant funds and is not intended to affect your right or that of any other organization, to petition Congress or any other level of government, through the use of other nonfederal resources. Reference 45 CFR Part 93.

15) Accessibility Provisions

Grant recipients of Federal financial assistance (FFA) from HHS must administer their programs in compliance with Federal civil rights law. This means that recipients of HHS funds must ensure equal access to their programs without regard to a person's race, color, national origin, disability, age, and in some circumstances, sex and religion. This includes ensuring your programs are accessible to persons with limited English proficiency. The HHS Office for Civil Rights also provides guidance on complying with civil rights laws enforced by HHS. Please see <http://www.hhs.gov/ocr/civilrights/understanding/section1557/index.html>. Recipients of FFA also have specific legal obligations for serving qualified individuals with disabilities. Please see <http://www.hhs.gov/ocr/civilrights/understanding/disability/index.html>. Please contact the HHS Office for Civil Rights for more information about obligations and prohibitions under Federal civil rights laws at <https://www.hhs.gov/civil-rights/index.html> or call 1-800-368-1019 or TDD 1-800-537-7697. Also note that it is an HHS Departmental goal to ensure access to quality, culturally competent care, including long-term services and supports, for vulnerable populations. For further guidance on providing culturally and linguistically appropriate services, recipients should review the National Standards for Culturally and Linguistically Appropriate Services in Health and Health Care at <https://minorityhealth.hhs.gov/omh/browse.aspx?lvl=1&lvlid=6>.

16) Audits

Non-Federal recipients that expend \$750,000 or more in federal awards during the recipient's fiscal year must obtain an audit conducted for that year in accordance with the provisions of 45 CFR 96.31.

Recipients are responsible for submitting their Single Audit Reports and the Data Collections Forms (SF-FAC) electronically to the Federal Audit Clearinghouse Visit disclaimer page (FAC) within the earlier of 30 days after receipt or nine months after the FY's end of the audit period. The FAC operates on behalf of the OMB.

For specific questions and information concerning the submission process: Visit the Federal Audit Clearinghouse at <https://harvester.census.gov/facweb> or Call FAC at the toll-free number: (800) 253-0696

Reporting Requirements:

Federal Financial Report (FFR)

The recipient is required to submit a Federal Financial Report (FFR) 90 days after the close of the performance period (project period). The SF-425 shall report total funds obligated and total funds expended by the grantee.

Effective January 1, 2021, award recipients are required to submit the SF-425 Federal Financial Report (FFR) via the Payment Management System (PMS). If the individual

responsible for FFR submission does not already have an account with PMS, please [contact PMS](#) to obtain access.

Recipients must liquidate all obligations incurred under an award not later than ninety (90) days after the end of the award obligation and expenditure period (i.e., the project period) which also coincides with the due date for submission of the FINAL SF-425, *Federal Financial Report* (FFR). After ninety (90) days, letter of credit accounts are locked. SAMHSA does not approve extensions to the ninety (90) day post-award reconciliation/liquidation period. Therefore, recipients are expected to complete all work and reporting within the approved project period and the aforementioned 90-day post-award reconciliation/liquidation period. Recipients (late) withdrawal requests occurring after the aforementioned periods are denied. In rare instances, SAMHSA may approve an extension to submit a FINAL SF-425 FFR report, but this is *not* an extension of the 90-day post award reconciliation/liquidation period, but rather only an extension to submit the Final SF-425 report (FFR).

Annual Report

Reporting on the ARPA funding is required. States must prepare and submit their respective reports utilizing WebBGAS. Failure to comply with these requirements may cause the initiation of enforcement actions that can culminate in discontinuation of MHBG grants.

Your assigned MHBG Program Official will provide further guidance and additional submission information.

In accordance with the regulatory requirements provided at 45 CFR 75.113 and Appendix XII to 45 CFR Part 75, recipients that have currently active Federal grants, cooperative agreements, and procurement contracts with cumulative total value greater than \$10,000,000 must report and maintain information in the System for Award Management (SAM) about civil, criminal, and administrative proceedings in connection with the award or performance of a Federal award that reached final disposition within the most recent five-year period. The recipient must also make semiannual disclosures regarding such proceedings. Proceedings information will be made publicly available in the designated integrity and performance system (currently the Federal Awardee Performance and Integrity Information System (FAPIIS)). Full reporting requirements and procedures are found in Appendix XII to 45 CFR Part 75.

Staff Contacts:

Program Official
Phone: [REDACTED] **Email:** [REDACTED]@samhsa.hhs.gov

[REDACTED], Grants Specialist

Phone: [REDACTED] **Email:** [REDACTED]@samhsa.hhs.gov **Fax:** [REDACTED]

EXHIBIT F

**Recipient Information****1. Recipient Name**HEALTH CARE SERVICES, CALIFORNIA
DEPARTMENT OF**2. Congressional District of Recipient**

06

3. Payment System Identifier (ID)**4. Employer Identification Number (EIN)****5. Data Universal Numbering System (DUNS)****6. Recipient's Unique Entity Identifier****7. Project Director or Principal Investigator**

@dhcs.ca.gov

8. Authorized Official

@dhcs.ca.gov

Federal Agency Information**9. Awarding Agency Contact Information**

@samhsa.hhs.gov

10. Program Official Contact Information

Center for Mental Health Services

@samhsa.hhs.gov

Federal Award Information**11. Award Number****12. Unique Federal Award Identification Number (FAIN)****13. Statutory Authority**

Subparts I&III,B,Title XIX,PHS Act/45 CFR Part96

14. Federal Award Project Title

Block Grants for Community Mental Health Services

15. Assistance Listing Number

93.958

16. Assistance Listing Program Title

Block Grants for Community Mental Health Services

17. Award Action Type

New Competing

18. Is the Award R&D?

No

Summary Federal Award Financial Information**19. Budget Period Start Date 09/01/2021 – End Date 09/30/2025****20. Total Amount of Federal Funds Obligated by this Action** \$6,434,404

20 a. Direct Cost Amount \$6,434,404

20 b. Indirect Cost Amount \$0

21. Authorized Carryover**22. Offset****23. Total Amount of Federal Funds Obligated this budget period** \$6,434,404**24. Total Approved Cost Sharing or Matching, where applicable** \$0**25. Total Federal and Non-Federal Approved this Budget Period** \$6,434,404**26. Project Period Start Date 09/01/2021 – End Date 09/30/2025****27. Total Amount of the Federal Award including Approved Cost** \$6,434,404

Sharing or Matching this Project Period

28. Authorized Treatment of Program Income

Additional Costs

29. Grants Management Officer - Signature

Odessa Crocker

30. Remarks

Acceptance of this award, including the "Terms and Conditions," is acknowledged by the recipient when funds are drawn down or otherwise requested from the grant payment system.

Notice of Award



MHBG
Department of Health and Human Services
Substance Abuse and Mental Health Services Administration

Issue Date: 08/10/2021

Center for Mental Health Services

Award Number: [REDACTED]

FAIN: [REDACTED]

Contact Person: [REDACTED]

Program: Block Grants for Community Mental Health Services

HEALTH CARE SERVICES, CALIFORNIA DEPARTMENT OF

[REDACTED]

[REDACTED]

Award Period: 09/01/2021 – 09/30/2025

Dear Grantee:

The Substance Abuse and Mental Health Services Administration hereby awards a grant in the amount of \$6,434,404 (see “Award Calculation” in Section I) to HEALTH CARE SERVICES, CALIFORNIA DEPARTMENT OF in support of the above referenced project. This award is pursuant to the authority of Subparts I&III,B, Title XIX, PHS Act/45 CFR Part96 and is subject to the requirements of this statute and regulation and of other referenced, incorporated or attached terms and conditions.

Acceptance of this award including the “Terms and Conditions” is acknowledged by the grantee when funds are drawn down or otherwise obtained from the grant payment system.

If you have any questions about this award, please contact your Grants Management Specialist and your Government Project Officer listed in your terms and conditions.

Sincerely yours,

[REDACTED]

See additional information below

SECTION I – AWARD DATA – [REDACTED]

FEDERAL FUNDS APPROVED: \$6,434,404

AMOUNT OF THIS ACTION (FEDERAL SHARE): \$6,434,404

CUMULATIVE AWARDS TO DATE: \$6,434,404

UNAWARDED BALANCE OF CURRENT YEAR’S FUNDS: \$0

Fiscal Information:

CFDA Number: [REDACTED]

EIN: [REDACTED]

Document

Number: [REDACTED]

Fiscal Year: 2021

IC	CAN	01
[REDACTED]	[REDACTED]	\$6,434,404

PCC: CMHS / OC: 4115

SECTION II – PAYMENT/HOTLINE INFORMATION – [REDACTED]

Payments under this award will be made available through the HHS Payment Management System (PMS). PMS is a centralized grants payment and cash management system, operated by the HHS Program Support Center (PSC), Division of Payment Management (DPM). Inquiries regarding payment should be directed to: The Division of Payment Management System, [REDACTED]

The HHS Inspector General maintains a toll-free hotline for receiving information concerning fraud, waste, or abuse under grants and cooperative agreements. The telephone number is: 1-800-HHS-TIPS (1-800-447-8477). The mailing address is: Office of Inspector General, Department of Health and Human Services, Attn: HOTLINE, [REDACTED]

SECTION III – TERMS AND CONDITIONS – [REDACTED]

STANDARD TERMS AND CONDITIONS

MHBG FY2021 ARP Mitigation

Remarks:

This Notice of Award (NoA) provides one-time funding made available by the American Rescue Plan Act of 2021, in accordance with H.R. 1319 – American Rescue Plan Act of 2021 the ARPA Act, 2021 [P.L. 117-2], available at <https://www.congress.gov/117/bills/hr1319/BILLS-117hr1319enr.pdf>.

This funding is available to expand dedicated testing and mitigation resources for people with mental health and substance use disorders. These funds will provide resources and flexibility for states to prevent, prepare for, and respond to the coronavirus disease 2019 (COVID-19) public health emergency and ensure the continuity of services to support individuals connected to the behavioral health system.

Required Plan Submission:

Due by October 1, 2021. COVID-19 Response Workplan and Overview

States must submit separate plans for expending these funds for both MHBG and SABG. States must explain the types of activities, including expenditures. Provide a detailed plan on how the state plan to implement COVID-19 testing and mitigation activities within the public mental health and or substance abuse system.

Due by October 1, 2021. COVID-19 Response Budget and Budget Justification

States must submit a budget and a budget justification capturing all expenses, including costs for administration at the state level and a plan to distribute it to providers, and subsequent reasons for the expenses in narrative format.

Using the WebBGAS Revision Request for the FFY 2021 Block Grant Application, upload the document (Microsoft Word or pdf) using the tab into the State Information Section, Chief Executive Officer's Funding Agreement – Certifications and Assurances/Letter Designating Signatory Authority. Please title this document "COVID Mitigation Funding Plan 2021(MH)" for MHBG and "COVID Mitigation Funding Plan 2021 (SA)" for SABG."

States must upload separate proposals based on Mental Health Block Grant and Substance Abuse Block Grant guidance into the WebBGAS system. Upon submission, SAMHSA will review the proposal to ensure it is complete and responsive. Proposals must be submitted to WebBGAS by Friday, October 1, 2021.

Standard Terms of Award:

1) Acceptance of the Terms of an Award

By drawing or otherwise obtaining funds from the HHS Payment Management System, the recipient acknowledges acceptance of the terms and conditions of the award and is obligated to perform in accordance with the requirements of the award. Once an award is accepted by a recipient, the contents of the Notice of Award (NoA) are binding on the recipient unless and until modified by a revised NoA signed by the GMO.

2) Official Form Designee

The States Chief Executive Officer, or authorized designee is considered the official form designee for this grant. The SAMHSA GMS and the MHBG Program Officer

must be notified immediately before any changes in this key position are made. Please note that individuals that are suspended or debarred are prohibited from serving on Federal grant awards.

3) Availability of Funds

Funds provided under this grant must be obligated and expended by September 30, 2025.

4) Fiscal and administrative requirements

This award is subject to the administrative requirements for HHS block grants under 45 CFR Part 96, Subpart C, and 45 CFR Part 75, as specified. Except for section 75.202 of Subpart C, and sections 75.351 through 75.353 of Subpart D, the requirements in Subpart C, Subpart D, and Subpart E do not apply to this program (reference 45 CFR Part 75 Subpart B, 75.101(d)).

Fiscal control and accounting procedures - Fiscal control and accounting procedures must be sufficient to (a) permit preparation of reports required by the statute authorizing the block grant and (b) permit the tracing of funds to a level of expenditure adequate to establish that such funds have not been used in violation of the restrictions and prohibitions of the statute authorizing the block grant.

Audits - Grantees and subgrantees are responsible for obtaining audits in accordance with the Single Audit Act Amendments of 1996 (31 U.S.C. 7501-7507) and revised OMB Circular A-133, "Audits of State, Local Governments, and Non-Profit Organizations." The audits shall be made by an independent auditor in accordance with generally accepted Government auditing standards covering financial audits.

Financial settlement - The State must repay to the Department amounts found after audit resolution to have been expended improperly. In the event that repayment is not made voluntarily, the Department will undertake recovery.

5) Flow-down of requirements to sub-recipients

The grantee, as the awardee organization, is legally and financially responsible for all aspects of this award including funds provided to sub-recipients, in accordance with 45 CFR 75.351 75.353, Sub-recipient monitoring and management.

6) Executive Pay

The Consolidated Appropriations Act, 2021 (Public Law 116-260), signed into law on December 27, 2020 restricts the amount of direct salary to Executive Level II of the Federal Executive Pay scale. Effective January 3, 2021, the salary limitation for Executive Level II is \$199,300.

For awards issued prior to this change, if adequate funds are available in active awards, and if the salary cap increase is consistent with the institutional base salary, recipients may re-budget to accommodate the current Executive Level II salary level. However, no additional funds will be provided to these grant awards.

7) Marijuana Restriction

SAMHSA grant funds may not be used to purchase, prescribe, or provide marijuana or treatment using marijuana. See, e.g., 45 C.F.R. 75.300(a)

(requiring HHS to ensure that Federal funding is expended in full accordance with U.S. statutory and public policy requirements); 21 U.S.C. 812(c)(10) and 841 (prohibiting the possession, manufacture, sale, purchase or distribution of marijuana).

8) Anti-discrimination

You must administer your project in compliance with federal civil rights laws that prohibit discrimination on the basis of race, color, national origin, disability, age and, in some circumstances, religion, conscience, and sex (including gender identity, sexual orientation, and pregnancy). This includes taking reasonable steps to provide meaningful access to persons with limited English proficiency and providing programs that are accessible to and usable by persons with disabilities. The HHS Office for Civil Rights provides guidance on complying with civil rights laws enforced by HHS. See <https://www.hhs.gov/civil-rights/for-providers/provider-obligations/index.html> and <https://www.hhs.gov/civil-rights/for-individuals/nondiscrimination/index.html>.

- You must take reasonable steps to ensure that your project provides meaningful access to persons with limited English proficiency. For guidance on meeting your legal obligation to take reasonable steps to ensure meaningful access to your programs or activities by limited English proficient individuals, see <https://www.hhs.gov/civil-rights/for-individuals/special-topics/limited-english-proficiency/fact-sheet-guidance/index.html> and <https://www.lep.gov>.
- For information on your specific legal obligations for serving qualified individuals with disabilities, including providing program access, reasonable modifications, and taking appropriate steps to provide effective communication, see <http://www.hhs.gov/ocr/civilrights/understanding/disability/index.html>.
- HHS funded health and education programs must be administered in an environment free of sexual harassment, see <https://www.hhs.gov/civil-rights/for-individuals/sex-discrimination/index.html>.
- For guidance on administering your project in compliance with applicable federal religious nondiscrimination laws and applicable federal conscience protection and associated anti-discrimination laws, see <https://www.hhs.gov/conscience/conscience-protections/index.html> and <https://www.hhs.gov/conscience/religious-freedom/index.html>.

9) System for Award Management (SAM)

This award is subject to requirement set forth in 2 CFR 25.110

Unless you are exempted from this requirement under 2 CFR 25.110, you, as the recipient, must maintain the currency of your information in the SAM, until you submit the final financial report required under this award or receive the final payment, whichever is later. This requires that you review and update the information at least annually after the initial registration, and more frequently if required by changes in your information or another award term. This requirement flows down to subrecipients and contractors under awards or subawards. SAM website: [System for Award Management \(SAM\)](#)

10) Federal Financial Accountability and Transparency Act (FFATA)

Reporting Subawards and Executive Compensation, 2 CFR, Appendix A to Part 170

The Federal Funding Accountability and Transparency Act (FFATA) was signed on September 26, 2006.

Unless you are exempt, you must report each action that obligates \$25,000 or more in Federal funds. The FFATA Subaward Reporting System (FSRS) is the reporting tool federal prime awardees (i.e. prime contractors and prime grants recipients) must use to capture and report subaward and executive compensation data regarding their first-tier subawards to meet the FFATA reporting requirements. Prime contract awardees must report against sub-contracts awarded. Prime grant awardees will report against sub-grants awarded. The sub-award information you enter in FSRS will display on USASpending.gov associated with the prime award. This furthers federal spending transparency.

You must report each obligating action to <http://www.fsrs.gov>

11) Mandatory Disclosures

Consistent with 45 CFR 75.113, applicants and recipients must disclose in a timely manner, in writing to the HHS Office of Inspector General (OIG), all information related to violations, or suspected violations, of Federal criminal law involving fraud, bribery, or gratuity violations potentially affecting the Federal award. Subrecipients must disclose, in a timely manner, in writing to the prime recipient (pass through entity) and the HHS OIG, all information related to violations, or suspected violations, of Federal criminal law involving fraud, bribery, or gratuity violations potentially affecting the Federal award. Disclosures must be sent in writing to the awarding agency and to the HHS OIG at the following addresses:

U.S. Department of Health and Human Services Office of Inspector General

ATTN: Mandatory Grant Disclosures, Intake Coordinator [REDACTED]
[REDACTED]
[REDACTED]

Fax: [REDACTED] Include "Mandatory Grant Disclosures" in subject line) or email: MandatoryGranteeDisclosures@oig.hhs.gov

Failure to make required disclosures can result in any of the remedies described in 45 CFR 75.371 remedies for noncompliance, including suspension or debarment (see 2 CFR parts 180 & 376 and 31 U.S.C. 3321).

12) The Trafficking Victims Protection Act of 2000 (22 U.S.C. 7104(G)), as amended, and 2 C.F.R. PART 175

The Trafficking Victims Protection Act of 2000 authorizes termination of financial assistance provided to a private entity, without penalty to the Federal government, if the recipient or subrecipient engages in certain activities related to trafficking in persons. SAMHSA may unilaterally terminate this award, without penalty, if a private entity recipient, or a private entity subrecipient, or their employees: a) Engage in severe forms of trafficking in persons during the period of time that the award is in effect; b) Procure a commercial sex act during the period of time that the award is in

effect; or, c) Use forced labor in the performance of the award or subawards under the award. The text of the full award term is available at 2 C.F.R. 175.15(b). See <http://www.gpo.gov/fdsys/pkg/CFR-2012-title2-vol1/pdf/CFR-2012-title2-vol1-sec175-15.pdf>.

13) Drug-Free Workplace Requirements

The Drug-Free Workplace Act of 1988 (41 U.S.C. 701 et seq.) requires that all organizations receiving grants from any Federal agency agree to maintain a drug-free workplace. When the AR signed the application, the AR agreed that the recipient will provide a drug-free workplace and will comply with the requirement to notify SAMHSA if an employee is convicted of violating a criminal drug statute. Failure to comply with these requirements may be cause for debarment. Government wide requirements for Drug-Free Workplace for Financial Assistance are found in 2 CFR part 182; HHS implementing regulations are set forth in 2 CFR part 382.400. All recipients of SAMHSA grant funds must comply with the requirements in Subpart B (or Subpart C if the recipient is an individual) of Part 382.

14) Lobbying

No funds provided under the attached Notice of Award (NoA) may be used by you or any sub-recipient under the grant to support lobbying activities to influence proposed or pending federal or state legislation or appropriations. The prohibition relates to the use of federal grant funds and is not intended to affect your right or that of any other organization, to petition Congress or any other level of government, through the use of other nonfederal resources. Reference 45 CFR Part 93.

15) Accessibility Provisions

Grant recipients of Federal financial assistance (FFA) from HHS must administer their programs in compliance with Federal civil rights law. This means that recipients of HHS funds must ensure equal access to their programs without regard to a person's race, color, national origin, disability, age, and in some circumstances, sex and religion. This includes ensuring your programs are accessible to persons with limited English proficiency. The HHS Office for Civil Rights also provides guidance on complying with civil rights laws enforced by HHS. Please see <http://www.hhs.gov/ocr/civilrights/understanding/section1557/index.html>. Recipients of FFA also have specific legal obligations for serving qualified individuals with disabilities. Please see <http://www.hhs.gov/ocr/civilrights/understanding/disability/index.html>. Please contact the HHS Office for Civil Rights for more information about obligations and prohibitions under Federal civil rights laws at <https://www.hhs.gov/civil-rights/index.html> or call 1-800-368-1019 or TDD 1-800-537-7697. Also note that it is an HHS Departmental goal to ensure access to quality, culturally competent care, including long-term services and supports, for vulnerable populations. For further guidance on providing culturally and linguistically appropriate services, recipients should review the National Standards for Culturally and Linguistically Appropriate Services in Health and Health Care at <https://minorityhealth.hhs.gov/omh/browse.aspx?lvl=1&lvlid=6>.

16) Audits

Non-Federal recipients that expend \$750,000 or more in federal awards during the recipient's fiscal year must obtain an audit conducted for that year in accordance with the provisions of 45 CFR 96.31.

Recipients are responsible for submitting their Single Audit Reports and the Data Collections Forms (SF-FAC) electronically to the to the Federal Audit Clearinghouse Visit disclaimer page (FAC) within the earlier of 30 days after receipt or nine months after the FY s end of the audit period. The FAC operates on behalf of the OMB.

For specific questions and information concerning the submission process: Visit the Federal Audit Clearinghouse at <https://harvester.census.gov/facweb> or Call FAC at the toll-free number: [REDACTED]

Reporting Requirements:

Annual Report

Reporting on the ARPA funding is required. After the end of each fiscal year, a FY annual report is required on December 31, until the funds expire, and states must upload a narrative report including activities and expenditures. States must prepare and submit their respective reports utilizing WebBGAS. Your assigned MHBG Program Official will provide further guidance and additional submission information.

Failure to comply with these requirements may cause the initiation of enforcement actions that can culminate in discontinuation of MHBG grants.

Federal Financial Report (FFR)

The recipient is required to submit a Federal Financial Report (FFR) 90 days after the close of the performance period (project period). The SF-425 shall report total funds obligated and total funds expended by the grantee.

Effective January 1, 2021, award recipients are required to submit the SF-425 Federal Financial Report (FFR) via the Payment Management System (PMS). If the individual responsible for FFR submission does not already have an account with PMS, please [contact PMS](#) to obtain access.

Recipients must liquidate all obligations incurred under an award not later than ninety (90) days after the end of the award obligation and expenditure period (i.e., the project period) which also coincides with the due date for submission of the FINAL SF-425, *Federal Financial Report* (FFR). After ninety (90) days, letter of credit accounts are locked. SAMHSA does not approve extensions to the ninety (90) day post-award reconciliation/liquidation period. Therefore, recipients are expected to complete all work and reporting within the approved project period and the aforementioned 90-day post-award reconciliation/liquidation period. Recipients (late) withdrawal requests occurring after the aforementioned periods are denied. In rare instances, SAMHSA may approve an extension to submit a FINAL SF-425 FFR report, but this is *not* an extension of the 90-day post award reconciliation/liquidation period, but rather only an extension to submit the Final SF-425 report (FFR).

In accordance with the regulatory requirements provided at 45 CFR 75.113 and Appendix XII to 45 CFR Part 75, recipients that have currently active Federal grants, cooperative agreements, and procurement contracts with cumulative total value greater than \$10,000,000 must report and maintain information in the System for Award Management (SAM) about civil, criminal, and administrative proceedings in connection with the award or performance of a Federal award that reached final disposition within the most recent five-year period. The recipient must also make semiannual disclosures regarding such proceedings. Proceedings information will be made publicly available in the designated integrity and performance system (currently the Federal Awardee Performance and Integrity Information System (FAPIIS)). Full reporting requirements and procedures are found in Appendix XII to 45 CFR Part 75.

Staff Contacts:

[REDACTED], Program Official

Phone: [REDACTED] **Email:** [REDACTED]@samhsa.hhs.gov

[REDACTED] Grants Specialist

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